SMALL BUSINESS OPPORTUNITIES FOR VETERANS

HEARING

BEFORE THE

SUBCOMMITTEE ON PROCUREMENT, INNOVATION, AND MINORITY ENTERPRISE DEVELOPMENT

OF THE

COMMITTEE ON SMALL BUSINESS HOUSE OF REPRESENTATIVES

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SMALL BUSINESS OPPORTUNITIES FOR VETERANS

WEDNESDAY, MAY 4, 1988

HOUSE OF REPRESENTATIVES,
SUBCOMMITTEE ON PROCUREMENT, INNOVATION,
AND MINORITY ENTERPRISE DEVELOPMENT,
COMMITTEE ON SMALL BUSINESS,
Washington, DC.

The subcommittee met, pursuant to notice, at 9 a.m., in room 2359-A, Rayburn House Office Building, Hon. Ike Skelton (chairman of the subcommittee) presiding.

Present: Chairman Skelton; Representatives Lancaster, Conte, and Rhodes.

Chairman SKELTON. The hearing will come to order. This is a hearing on small business opportunities for veterans that we have called specially for today.

I take this opportunity to welcome you to this hearing of the Subcommittee on Procurement, Innovation, and Minority Enterprise Development.

I understand that the Reverend Jesse Jackson is speaking to the democratic Congress this morning. I believe that his words are very important. However, I also believe it is important to keep my commitment to you, and those who have kept their commitment to us over the years.

It is an honor and privilege for me to be here with representatives of veterans today, particularly Vietnam veterans.

You are very welcome here, and I look forward to your participation in our review of the small business programs that were created to benefit the veterans.

As you are aware, this is only the latest in a series of annual hearings to review the veterans' programs. These hearings are generally held to coincide with the Speaker's Conference on Vietnam Veterans which reflects the high priority Congress places on the obligation to stay personally in touch with this group.

Reports we have received on the effectiveness of the veterans' programs and program problems have clouded their implementation, and in my opinion have been disappointing.

I remember last year the subcommittee expressed the hope that under the leadership of the new Administrator, James Abdnor, and with the new Director of the Office of Veterans' Affairs, Dick Ellis, we would see a difference in the Small Business Administration performance.

We will hear from Mr. Ellis later this morning to see what progress has been made.

One program that cut into the SBA programs to some extent is the Gramm-Rudman reduction imposed on programs across the board.

Our veterans have always been willing to take their share of the burden. Unfortunately, the programs which are under-funded to do an appropriate job nationally to begin with, will have an even tougher time fulfilling the intended objectives.

Our outreach programs, for example, that are letting veterans know that assistance is available to them, do not reach all the veterans so they can benefit from them.

In addition, it may well be the appropriate time to review the agency policy directive concerning "special consideration for veterans."

This Government policy, which has provided the basis for all SBA veterans' programs, should be revised and strengthened where necessary to meet the actual needs of the veteran community.

I wish to say that this is the first of two hearings of this subcommittee that I will chair today.

There is a real time constraint on us between this hearing and the hearing of the next group, which will be on minority issues and action on the House floor on Department of Defense bill, which veterans know a little bit about. I am to manage part of the DOD bill today.

We are trying to fit everything together, and I hope you will bear with us.

We have an opening statement from Mr. Conte, who I understand will join us shortly. But at this point I will ask that it be put in the record without objection.

Thank you.

[Mr. Conte's opening statement may be found in the appendix.]

Chairman SKELTON. Mr. Lancaster.

Mr. LANCASTER. Mr. Chairman, I just want to thank you for convening this hearing, and also tell you how much I am looking forward to serving with you as chairman of the subcommittee.

I know that you are going to do a great job. I am also happy to see my long-time friend and fellow North Carolinian, Dick Ellis, back before the subcommittee, and look forward to his comments this morning.

Chairman SKELTON. Thank you.

Mr. Rhodes.

Mr. RHODES. Thank you, Mr. Chairman. Because I am aware of the time constraints, I will forego the opportunity to make an opening statement. I look forward to the testimony.

Chairman SKELTON. Thank you. Our first panel will consist of three gentlemen: Mr. Frank Falkowski, the executive director of Vietnam Veterans Leadership Program from Buffalo, NY; William Elmore, the executive director of Vietnam Veterans Leadership Program, St. Louis; and Mr. Michael Coyle of the William Joiner Center from Dorchester in Maine—Massachusetts.

Mr. COYLE. Thank you.

Chairman SKELTON. All right. Those of us from the Midwest get Maine and Massachusetts mixed up. We should not do that, should we?

We will ask each of you to testify. You may, if you wish, put your full testimony in the record. That will appear in full without objection, and then you may wish to summarize, which may leave a bit more time for questions.

Mr. Conte, just a moment ago, we put your opening statement in the record. Do you have additional comments?

Mr. CONTE. No additional comments. I am pleased that you have assumed the chairmanship from my friend, Nick Mavroules. I have always had a great deal of respect and high regard for your work in the Congress. I am looking forward to working with you, Ike.

Chairman SKELTON. Thank you so much, Mr. Conte. Without further ado, we will call on Mr. Falkowski. We have the names mixed up, I bet.

Mr. FALKOWSKI. Just for the record, Mr. Chairman, I am not executive director of the Veterans Leadership Program. I am currently a consultant with the Buffalo and Erie County Private Industry Council, Inc. in Buffalo, NY. I just want to set the record straight on that.

Chairman SKELTON. But your name is Mr. Falkowski?

Mr. FALKOWSKI. That is correct.

Chairman SKELTON. Well, according to the signs there, that will soon be changed—you are Mr. Coyle.

We are going to make the—Mr. Coyle? We had Mr. Elmore right. Well, that is pretty good—one out of three.

You may proceed, sir.

TESTIMONY OF FRANK J. FALKOWSKI, CONSULTANT, BUFFALO AND ERIE COUNTY PRIVATE INDUSTRY COUNCIL, BUFFALO, NY

Mr. FALKOWSKI. Mr. Chairman, members of the subcommittee, my name is Frank Falkowski. I am consultant with the Buffalo and Erie County Private Industry Council, Inc.

I also serve as a corporate officer with a family owned and operated train business known as Copious Graphics in Buffalo.

I would like to thank you for this opportunity to meet with you and to share my concern, both as a Vietnam veteran and as a small business entrepreneur.

I've been asked to address the nature and extent of Federal involvement in the efforts to help Vietnam veterans in small business.

I have presented testimony over the past 3 years which has focused on these efforts. We have been trying very hard in the New York area to identify and coordinate Federal, State, and local activities which would assist Vietnam veterans in small business development.

During these hearings, you have heard expert testimony on what we believe to be the shortcomings of a flawed approach to the veterans' entrepreneur training program.

In my conversations with national veterans small business applicants, I have found a great deal of disappointment and hopeless-

ness, which in some cases has left as anger and disassociation with the SBA and the delivery system to veterans.

Fortunately, there are some like those of us here today who direct their disappointment and anger to seeking answers to the problems, and who are willing to face the distressing process of challenging those who administer veterans' programs on our behalf.

Mr. Chairman, according to a report from the Arthur Anderson Co. that queried 8,000 businesses, the consensus indicates that 1987 was a banner year for small business.

This cheerful news is based on findings that 70 percent of the businesses in the survey increased sales, exceeded profits, and most notably, 38 percent added jobs.

This banner year comes despite the fact that some Small Business Administration programs have not improved their services, or have kept pace with the changing business trends and economy.

The small business legislative counsel last year gave mostly grades of C, D, and F to the Federal Government's follow-through on the recommendations of the White House Conference on Small Business in late 1986.

This same trend exists for veteran small business initiatives. Past testimony to this committee has clearly demonstrated the gaps and deficiencies that have plagued the SBA and its services to veteran small business initiatives.

Let me briefly explain what has been happening to our initiatives in New York. In 1985, I started a pilot project with the New York State small business development center in Buffalo, totally without funding.

I was able to piggy-back existing SBDC services and expand counseling for Vietnam veterans.

The purpose of this effort was to meet the increasing requests of our veterans' community for small business counseling, business planning, and combining the one-stop concept for veteran small business services with an in-depth information system.

In 1986, I submitted a grant to the SBA Office of Veterans' Affairs after meeting with Director Vincent Pagano. That meeting was attended by John Mather, the administrator of the New York SBDC's, and Jim Hearn from the Office of Action.

We were told that our proposal should be modeled after the South Carolina program. We were sent a copy of this proposal so that we could make adaptive use of our present proposal and put emphasis upon the training features modeled in the South Carolina program, and which was viewed very favorably by the Small Business Administration.

This proposal was turned down, and we were told that unfortunately outreach moneys were depleted, and that our program had merit, and something perhaps to be worked out in fiscal 1987.

I would like to point out that our budget was a very modest one, which would have expanded veteran small business services throughout New York State at 16 SBDC sites already on line.

I believe the return on this investment would have been staggering, and would have shown the effectiveness of such a program.

Now, the proposal submitted in 1987 took a little different twist for me. The local SBDC in Buffalo, and the State agency in Albany

began to negotiate on their own, and submitted their own proposals with the SBA while totally alienating VVLP in Buffalo, which originally orchestrated and developed the New York State model.

Both agencies submitted separate grants which were ultimately turned down for reasons that are still not clear to me to this day.

I would also like to point out that at last year's hearings, I was assured by the SBA that I would be updated on all actions relevant to veteran small business activities.

Since last year's testimony, I have received no updates or communications from the SBA Veterans' Affairs Office, either nationally or regionally.

I was also assured that I would be included in the national dialogue, as requested by the committee and Chairman Mavroules from last year.

Now, the New York project was designed to be a partnership between the BVLP, our State SBDC, and the Small Business Administration.

But, obviously, many saw the benefits of such a program, and they did not feel that it was necessary to consult with the veterans who worked on the proposal.

The key players became alienated and misguided to the point where they felt it was time to move on to other projects that had a light at the end of the tunnel.

So, apparently, in my opinion, we have not really gained any footage since last year's hearings, and the recommendation of the committee seem to fall on deaf ears.

I am sure most of you understand the concept of a planning gap. For a combat veteran it is the difference between the Joint Chief of Staff's performance objectives during war, and the estimates of actual performance by those of us in the field.

Now, I suggest to you that the same planning gap exists in the delivery of small business services and programs for our veterans.

In the 4 years that I have participated in the Speaker's Conference here on the Hill, I have observed and experienced the continued frustration of my fellow veteran advocates on the issue of veterans' small business. The bottom line in most of our dialogue is the continued planning gap, and the delivery of timely and cost-effective programming for veterans' small business initiatives.

Mr. Chairman, the veterans' community has presented strategic alternatives for filling this gap usually derived from the situation analysis of our field work.

We have raised questions on what our objectives should be. We have recommended what we felt were the best strategies for achieving those objectives as requested by this committee in the past.

For the most part, I have not seen any action of substance for setting new objectives based on these recommendations. What I have seen is a failure by the SBA to react to innovation.

At last year's hearings, I introduced a demonstration of the interactive laser disc computer system used in the formulation of a business plan.

Representatives from IBM, Maryland Interactive Technologies, and the New York State SBDC were onhand to demonstrate how this system would allow potential veteran entrepreneurs to explore

various "what-if" situations, and simulate the results of business decisions made.

Through this process we demonstrated how veterans would be able to complete their plan in a more reasonable timeframe while applying critical educational instruction, which would reduce counseling time necessary in a manual preparation of a business plan.

It was my hope that this educational tool would be considered by the SBA as a trading tool in their special projects for veterans or at least network with the veterans' community.

Now, it is no news that we need a more effective and efficient information exchange for the resources, referrals, and the other services that provide small business ventures for Vietnam veterans.

This technical information must be put in the hands of key players in the veterans' small business community. We need indepth analytical minicase studies of model veteran small business ventures—both the successes and the failures.

We need an information exchange dedicated to providing these veterans with a thorough inventory of funding sources for veteran small business developments, including the remaining Federal programs, State programs, and small business incubators around the country.

Such a data base would direct attention to the question of problems of veteran small business clients providing startup information and regional networking which is so critical to the success of a startup microbusiness for veterans.

This may be one alternative of filling the gap in the current delivery of veteran small business services information.

How can veterans be expected to succeed in small business if the information they need to succeed is flawed, outdated, or never shared.

I would like you to imagine what veterans would accomplish if they were linked with the national and regional veterans, and small business organizations with community based memberships, if they were linked with the developmental small business agencies of cities and States, with foundations and economic development organizations active in funding small business initiatives, and the veterans' advisers to veterans' entrepreneurship, which many of my colleagues across the country have established on their own.

We are just asking for the same customized research that enables corporate America access to detailed answers to their specialized, and sometimes esoteric inquiries.

In closing, I would like to address the elimination by the President of all funding for direct loans to the veterans. During last year's hearings, Mr. Ellis, Director of the SBA Veterans' Affairs Office, made a few remarks concerning the direct loan program.

He said, and I quote, "We believe that the Government should return banking to the banks, especially since banks are better able to provide the day-to-day business services that small businesses require. Elimination of this direct loan program will help the small business person to establish a better relationship with the banker."

Mr. Chairman, this viewpoint, in my opinion, is extremely flawed. First of all, veterans around the country have relied on this

program because of the the insensitivity of banks to fund projects under six digits.

What I am talking about is funding the microbusinesses that so many of our Vietnam veterans want to enter into.

Very little happens with regard to counseling or trading on a bank level, which is why we have promoted the use of the SBDC system as a mechanism for bridging the gaps for this type of assistance.

I would also point out that the American banking institutions are failing at an alarming rate, and are now being leveraged out by foreign investors.

The justification to eliminate direct loans is, in my opinion, not a sound one since basic excess to capital is often denied for low-scale startups, and equity gaps prevent veterans from starting up these businesses.

For the record, I am going to present some examples of some innovative capital venture programs that have taken course around the country.

One in particular is by Dr. David Brophy, a professor of business administration at the University of Michigan, which directed a capital investment symposium.

In this symposium he has raised $80 million for 60 companies in the last 5 years. I believe that these innovative approaches have merit and could be replicated on behalf of veterans' small business programs.

So, in summary, I firmly believe that the resources of the city, State, and Federal Government will have to be integrated into a comprehensive system of small business services if our veterans are going to compete and benefit in the world of small business.

I realize that many of the needed services already exist, but a great deal of work remains for us to organize them in a way that will actually make them available to, and effective for Vietnam veterans who need them.

I also would like to see some kind of action directed toward giving us a definition of what the term "special consideration for veterans" means, because there seems to be a very big gap, and I have some doubts about the services reaching us on a community-based level.

Thank you, Mr. Chairman.

[Mr. Falkowski's statement may be found in the appendix.]

Chairman SKELTON. Thank you, Mr. Falkowski. I will again state that the testimony that you submit, and all those who testify, will be printed in the record in full. We appreciate your summarizing.

Mr. Elmore.

TESTIMONY OF WILLIAM D. ELMORE, EXECUTIVE DIRECTOR, VIETNAM VETERANS' LEADERSHIP PROGRAM, ST. LOUIS, MO

Mr. ELMORE. Well, first, let me say congratulations, Congressman Skelton, on your recent appointment as the chairman of this subcommittee.

Your decision to hold this hearing is indicative, I think, of your interest in small business and veteran opportunities. We thank you, as a fellow Missourian and also as a veteran.

Now, my testimony.

Dear Mr. Chairman, and members of the committee, thank you for this opportunity to present my testimony. My name is William Elmore. I am a small business owner and the executive director of the St. Louis Vietnam Veterans' Leadership Program. We are a self-help effort first organized in 1973 in St. Louis.

When I was invited here today, the temptation to only describe and discuss what we had done in St. Louis was great. However, as a result of our efforts, I feel compelled to be blunt.

The point of my testimony is to convince you of what must be done, and with your support what can be done to tap an enormous national resource.

Recently, in St. Louis, we developed a model program, that, while containing great promise, is now viewed by the SBA as a national model.

In fact, the program was plagiarized, stolen, manipulated, marketed, and made available for others' profit, while alienating the very strength, heart, and sole of its purpose, the Vietnam veterans' business community.

Under contract with the SBA, the St. Louis Vietnam Veterans' Leadership Program developed the Veterans' Entrepreneurial Training Program, or VET.

This program turned $80,000 in Federal dollars into more than $220,000 in services and activities. It motivated more than 1,300 prospective veteran entrepreneurs, and screened them into 98 selected VET participants.

This effort was designed to bring together veteran entrepreneurs, coupled with commitment, investment, motivation classroom training, purpose, camaraderie, technical services, nuts and bolts how to do it skills, resources, advisors, and most importantly, successful veterans' business mentors—all for the purpose of developing a viable usable business plan followed by the next logical step—implementation of that plan into a small business entity.

The hub of the program was the development of a resource, advisory, mentor board. This board was identified, recruited, developed, and coalesced by the VVLP.

It consisted of Vietnam and era veterans who enthusiastically—and I should emphasize that—enthusiastically volunteered their time, business experience, and resources to assist their fellow veterans establish and/or improve their present business operation.

Among the 60 plus volunteers we have on that board there were three bank presidents, and these were all veterans, members and partners of local, regional, and national accounting firms, successful attorneys, the State director of the small business development centers in Missouri, the headmaster of a prestigious educational institution, professional lobbyist, public relations and marketing professionals, computer consultants, architects, small and medium-sized business owners, professional administrators—the list goes on.

Suffice to say, this type of innovative approach provided access to more resources, experience, talent, influence, power, and motivation than any $80,000 SBA program could hope to muster.

However, following some initial success, the program originally designed as a partnership between the VVLP, the SBA, and a local community college district took a different shape and form.

None of the three key people who designed and developed the program from scratch today remain in a position to guide, nurture, or direct it.

The voluntary advisory board has disassociated itself from the effort. The VVLP is no longer involved, and the local SBA veterans' affairs officer has resigned his position as the SBA veterans' affairs officer.

This has happened because non-Vietnam veteran bureaucrats in positions to effect the operation of the program began to pursue, in my opinion, what they thought would benefit themselves and their institutions, rather than the initial target of veteran entrepreneurs.

The shame in this, is that these same persons seek to benefit from the experience of the Vietnam veterans with little understanding and consideration of the veterans themselves.

These actions so offended our volunteer veteran businessmen that they refused to cooperate with the community college and the SBA in the second year of the program.

What these members of our board, though, represent, is an enormous resource for the veterans' community and for our Nation. They are but the tip of the iceberg. There are literally unknown thousands of successful business-oriented Vietnam veterans, who, if given the vehicle, will give of themselves, like no one else.

They will help to stimulate, to build, and support successful small business with all its corresponding benefit to the community.

Presently, this resource is being ignored, thrown away, and wasted because the wrong people are in charge. What you should do, sirs, is remember the lessons of the past.

The Veterans Cost of Instruction Programs [VCIP] were begun on college campuses as an outreach effort in the community to access and accommodate returning veterans.

The Veterans' Administration Vet Centers were developed by us to help the VA meet the needs of veterans unable to be reached by normal bureaucratic systems.

The Department of Labor, the Action Agency, the White House, the National League of Cities, U.S. Conference of Mayors, and to some extent the SBA have all at some time done the same—asked the veterans' service community to provide the means to reach and serve veterans.

What must be done is to understand the limits of existing bureaucracy and allow us to pursue what has been done successfully before. Give us a chance. Our story in St. Louis is not unique, but rather, similar to what has happened in Buffalo, NY, the State of Georgia, and elsewhere.

The best, most appropriate, and effective way to stimulate and mobilize this vast, ignored, yet proven profitable network is to provide the resources that empower the veteran service community, that is, those of us possessing the interest, skills, experience to do this for you and for us.

It would not be difficult to identify persons necessary to develop a national effort for formation of successful local models.

All we ask is that you give us the resources, and get the local bureaucratic loose cannons out of our way. If we are given this opportunity, we can develop assistance efforts initiated by and through local existing veterans' business communities.

These can become a focus for leadership and enterprise, and if given time, their efforts will spill over to other service areas of need in the veterans' community.

What I am talking about is empowering the private sector, not the public.

In closing, I ask you to allow us to unleash the potential for achievement and success in our untapped Vietnam veterans' business community.

If done properly, this will result in positive growth and strength from our generation of Americans, for all Americans. If given the chance, we will perform.

I want to thank the Chairman and committee members for your interest and attention, and I am available for questions

Thank you.

[Mr. Elmore's statement, with attachments, may be found in the appendix.]

Chairman SKELTON. Thank you, Mr. Elmore. We do appreciate it. We have some questions we will ask later.

Mr. Michael Coyle—from Dorchester?

TESTIMONY OF MICHAEL C. COYLE, WILLIAM JOINER CENTER FOR THE STUDY OF WAR AND SOCIAL CONSEQUENCES, BOSTON, MA

Mr. COYLE. Actually, I am from Boston. I am from the University of Massachusetts, Mr. Chairman.

Dear Mr. Chairman and members of the committee, my name is Michael C. Coyle. I am from the William Joiner Center for the Study of War and Social Consequences, which is located at the University of Massachusetts at Boston.

It is an honor to be invited to give testimony before you this morning. I hope this testimony will help you to see clearly that veterans, those who have served, deserve to be served.

In a letter I received from your chairman, Representative Ike Skelton, I was asked to address three basic areas. The first area was, is the SBA fulfilling their requirement to give special consideration to veterans of the armed forces in all agency programs?

No; the SBA does not give special consideration to veterans in all agency programs. They do have special programs designed for veterans.

In fiscal 1987, the Veterans' Affairs Office at the SBA was given a total operating budget of $1.2 million. Of those funds, according to Dick Ellis, $500,000 was earmarked for outreach to veterans.

According to the actual budget, $700,000 was allocated for that function. Either way, it is not enough. That there is a discrepancy between the two figures is typical of the confusion surrounding the entire situation.

When we speak of special consideration for programs, we have to look at those programs.

The reason I am giving testimony is because of my involvement with the administration of the Governor's Veterans' Small Business Program—a program that was run in Massachusetts with discretionary funds from the Department of Labor through our own Office of the Commissioner of Veterans' Services.

Our program consisted of six classes, run 1 night a week for 6 weeks. The average class was 2½ to 3 hours long.

The students also had the opportunity to get one-to-one counseling on their business plans with three Saturday consulting sessions.

For those veterans who completed the course, there was a great deal of information given out. This was not enough to open and operate a small business.

This should be of no surprise to any small businessman. The SBA is offering seminars on small business startups also.

The SBA is offering seminars on small business startups. There is one scheduled for early June in Brockton, MA. It will be on a Saturday morning, and it will run from 9 a.m. until noon. This is not going to put any veteran into business. It will not produce any business plans which can be presented to a financial institution for loan consideration. I question what it does accomplish.

The second question we are to address is, in the past few years we have seen a decline in the number of veterans who are being served by the SBA's special programs.

Do I believe this trend is continuing? If so, what do I think the reason is? Do I have any recommendations to increase the number of veterans using the agency's service.

Yes; it may appear that there is a decrease in the number of veterans being serviced. What does the SBA consider service to mean?

I am told that a new computer system installed at the SBA not long ago was at fault for these low numbers. I have also been told that the SBA only counts as serviced those from whom they receive applications for loans.

It is regardless what I am told, because at this time there are very many veterans in need of solid services in regard to small business.

Based on the survey of the Massachusetts Special Commission on the Concerns of Vietnam Veterans it was found that 5.1 percent of those Massachusetts veterans who answered the survey were interested in, or had started a small business.

This comes out to approximately 16,500 veterans in Massachusetts alone. To carry that figure a step further, it is obvious that against the national population of Vietnam era veterans, the numbers are very high—approximately 500,000 or higher.

We also have to look at the mean ages of our various veteran populations. Our World War II veterans, and in many cases, our Korean veterans also, are at an age where starting a small business is not practical.

They have either been established in business already or have been established within the working force.

In many cases these veterans are ready for retirement, or have retired. The pool of Vietnam veterans to be serviced is estimated at upward of 500,000.

Their mean age is 40 years old. According to reports commissioned and compiled by the SBA, this is the exact midpoint of the average age of an owner of a first-time small business—that age being 35 to 45 years.

So, it may well appear that the number of veterans needing service has declined, but I feel that given a positive reception with some real tangible help, you will find a veritable bonanza of Vietnam era veteran entrepreneurs poised to begin a new wave of business activity.

An increase in funding for programs to veterans is definitely in order. The vehicle to provide those services is not through 3-hour seminars administered by a Federal agency.

The institution of programs that are thorough and have linkages to actual opportunities are needed, whoever administers them.

The third question we are to address is, what is our analysis of the effort the SBA is making to provide outreach and awareness of the agency's programs to veterans?

We are distressed that the SBA Veterans' Affairs component is actively advocating for the abolishment of the direct loan program.

This represents the only program where veterans have an opportunity to gain funds for small business operations from the Federal Government.

This is, of course, perceived. Gaining access to the record of how many veterans were granted how much money is problematic. We would like to know the breakdown on this program.

We want to know how much of that money went to startups and how much went to microbusiness? Were they already established? How many veterans are employed by these businesses?

Programs are fine. We must know how to balance our books, make projections, and have marketing strategies. These are essential to any small business.

Training does not equal opportunity. I have a problem with the loan decision stage. It seems that this is an acceptable time to say the job has been done. In reality, this is when the job should begin, for it is when a veteran decides he is ready to go for a loan that he needs the most support.

When I say support, I mean opportunities. Why aren't the men and women who protected our interest on foreign ground given access to those interests on their own ground.

I understand that following this hearing you will be hearing from minorities on why they don't receive their set-asides.

We would dearly love to be fighting that same fight. Why are there no set-asides for veterans? Why shouldn't veterans be given a piece of the procurement and contracting pie?

Do we have to prove that we are socially or economically disadvantaged? That certainly was not a requirement for sending us to war, although many of us met those requirements then.

We are not against an office to protect the interest of minorities and women in procurement and contracting set-aside. We do deserve equal footing. Thank you, gentlemen.

[Mr. Coyle's statement, with attachments, may be found in the appendix.]

Chairman SKELTON. Mr. Coyle, thank you very much. Mr. Conte.

Mr. CONTE. Mr. Falkowski, why was the 1986 Vet grant application denied?

Mr. FALKOWSKI. According to a letter, correspondence that was received, it was that the special project money had dried up, and we had a good proposal, and we should resubmit for fiscal 1987.

This was contracted—well we were told in the meeting that there were available funds. We were told by Mr. Pagano at that time that there was an additional $200,000 for that program.

Mr. CONTE. We understand that the application was turned down because it was for too much money, and two, that the Vets counseling was not the idea they were giving grants for—it was only for training.

Mr. FALKOWSKI. Yes; but we revised that grant when we resubmitted it. We were told that we should not go over $100,000 dealing.

We resubmitted that grant for, I believe it was $90 some thousand, and we did model, after we were told to model the South Carolina project, and we were still denied any application for the 1986 fiscal year.

Mr. CONTE. In 1987, the Research Foundation of SUNY submitted a grant application to the SBA which was denied.

Can you tell us why that was denied?

Mr. FALKOWSKI. No, sir; I wish I could. I have been trying to get a handle on why that application was denied, and it seems there was a problem between the president of our local college and the chancellor's office in SUNY Research Foundation.

The other problem, I believe, was that both agencies submitted grants, and really never bothered to touch base with me on that whole issue.

Mr. CONTE. We were told only one grant was submitted.

Mr. FALKOWSKI. I have copies of both grants, both from the Albany and from the local college in Buffalo that were submitted in fiscal 1987.

Mr. CONTE. Do you have copies of those?

Mr. FALKOWSKI. I can make them available for the committee.

Mr. CONTE. Yes; we will make them a part of the testimony.

[The information may be found in the appendix.]

Do you have a letter that the Small Business Administration wrote to Dr. Jack Breuckman, the State University College of Buffalo, dated October 8, 1987?

Mr. FALKOWSKI. No, sir; I do not. I might point out that I left the college in July 1987. Since then I have received no correspondence concerning that grant application.

Mr. CONTE. That letter says, in essence, Dr. Breuckman was told this grant would not float without Falkowski and the VVLP involved. The SBA told us we have never heard from them or Falkowski again.

Mr. FALKOWSKI. I am not aware of that situation.

This goes back to the process of alienation that I had been running against in my own local area concerning this application.

Mr. CONTE. There seems to be a discrepancy between your testimony and Dick Ellis regarding the laser disc system. Can, you tell us what is going on here?

Mr. FALKOWSKI. Well, in 1986, Jim King, from the director of SBDC, and some other resources that I had made contact with through our local SBDC, brought to my attention the laser disc program that was being developed between Maryland institutional technologies and the SBDC.

The New York State SBDC's, I believe, were the first to buy into this system. I saw that as a very good instructional tool, a very cost effective tool, and I thought it would be essential that the committee get a demonstration of this tool, so that hopefully down the road it could be utilized by the SBA's programs for veterans' entrepreneurialship.

Mr. CONTE. What you say is nothing happened, but—let me quote from Ellis here. "Another initiative which we believe will greatly improve our outreach and training of veterans who are conducting a small business is our purchase of eleven business disc programs and equipment that are in the program. Do you dispute that?

Mr. FALKOWSKI. No; I was aware that he had talked about that.

Mr. CONTE. You were not aware of that?

Mr. FALKOWSKI. No; I was aware that he—see, we had a meeting after the testimony, and he told me—and in fact, he also told me that would be included in the dialogue concerning this program.

But I had heard from the director of the SBDC in Buffalo, Jack Breuckman, that the SBA was considering buying 11 or 12 of these units for SBA veterans' programs, which I have a little bit of difficulty on how effectively 11 stations are going to be used.

Mr. CONTE. May I ask Mr. Elmore a question?

Chairman SKELTON. Sure.

Mr. CONTE. You say, Mr. Elmore, your testimony on page 1. "We developed a model program that was plagiarized, stolen, manipulated, marketed, and sold for others' profit." Can you be a little more specific about that?

Mr. ELMORE. Yes; I can, and I am not here to point specific fingers, but I will respond to that. What happened was that through the process of the first year of the operation of the VET Program, we were essentially cut out of the process.

The community college began negotiating directly with the Small Business Administration, contrary to our contracts. They have since taken the VET program, which I and Jim Gravett from the SBA, and a woman named Holda Rhodey from the community college, initially developed and designed.

They have packaged it, and they have made it available for sale to other community colleges around the country, with no consultation from us, to us—no questions from us. They essentially have done this on their own.

Mr. CONTE. Who stole and profited from this?

Mr. ELMORE. The community college in St. Louis. I cannot sit here and say that they have, in fact, sold the program only because I have been cut out from receiving any information.

I had a contractual relationship with the community college that called for monthly and quarterly reports—most of which I never received.

In the process of us receiving none of the information for proper administration of the program, those are the avenues they chose to pursue.

Mr. CONTE. Are any Vietnam veterans profiting from this program?

Mr. ELMORE. I think some veterans who, in fact, went through the first year of the program have profited. They have had access, and have worked with our mentoring advisory board.

I am aware of at least a half a dozen instances. The president of my board of directors—the VVLP is, for example presently helping to assemble a pool of investors to help finance one of the business ventures that came out of the first program.

So, the veterans who went through the program have benefited. The point is that the program itself sort of diverted itself away from what our initial target was, and we have not nearly achieved what it is we could have done.

The resources are not there for the second year of the program because my advisory board that willingly volunteered to help has said to the SBA and the community college, we want nothing to do with your program any more. Leave us alone.

Mr. RHODES. Will the gentleman yield?

Mr. CONTE. Surely.

Mr. RHODES. Attached to, or included with your testimony are two letters on the letterhead of Grote Financial Futures.

Mr. ELMORE. Yes.

Mr. RHODES. One of them dated April 29 refers to a letter of January 28, 1988, as an accurate account of what happened with the SBA community college entrepreneur program.

Does that letter detail the incidence that Mr. Conte has asked you about?

Mr. ELMORE. It does not detail because it is very difficult, even in St. Louis, to get the details. They have refused to cooperate and even respond to the written correspondence that I have sent.

What has happened is that in a series of meetings, and in discussions back and forth, my board has come to the conclusion that the SBA—and I should not say SBA because it was primarily the staff at the community college refused to cooperate with, one, the VVLP and provide us the information necessary for our portion of the program, and two, in that process, cut out our advisory board and what they saw as their key role, which is the mentoring advisory services.

They were just very disappointed. These are Vietnam veterans who have established themselves in the business community, and, in many cases, the first time that they have identified themselves to themselves and others as Vietnam veterans.

They were very interested and intrigued by the idea of helping other veterans in business. It is typical of what has happened, I think, in the Vietnam veterans' community over the years.

They were offended by what happened. They saw people divert energy and effort away from what we thought was our original target and the resources that we had to bear and to offer in the program.

They have since said, forget it, folks; we are not going to deal with you; we are going to do it ourselves.

That is one reason I submitted those letters, I think, to show that the advisory board still has interest, but in fact has made the decision that they want no longer any relationship with the program.

I have a copy. If we need to make more copies, we can do that.

Mr. RHODES. If you would, make sure that we do have that.

Chairman SKELTON. That should be part of the record testimony too, without objection.

Mr. ELMORE. Yes; I did want that——

Mr. RHODES. Thank you. I will yield back to Mr. Conte.

[The letters may be found in the appendix with Mr. Elmore's statement.]

Mr. CONTE. I have a lot more questions. I will submit them, but I want to ask you a followup question because I don't want to leave it hanging.

Your bone of contention is not with the SBA; it is with the community college. Did you sue the community college?

Mr. ELMORE. No; we did not. Let me preface a little bit. We are a very small shop. I have got now three——

Mr. CONTE. Who is that?

Mr. ELMORE. The VVLP in St. Louis is a very small shop. I am the executive director, the fund raiser, the clerk typist, the administrator, the inventor, and everything else.

I made a decision that for the good of what it is we have started to establish in St. Louis, and also based on the fact that I wanted to move forward, and go after what I could accomplish as a community organization, that at least at this point, it was best not to get caught into what could have been a litigious situation between us and the community college.

Another portion of that decision was based on the fact that the community college is a heck of a lot bigger than we are.

When I discussed the ongoing problems with the staff and the SBA national, they are, and were aware of the problems that developed. In fact, we had a couple of minor discussions around that very same fact.

Mr. CONTE. Thank you, Mr. Chairman.

Chairman SKELTON. Mr. Rhodes.

Mr. RHODES. Thank you, Mr. Chairman. Mr. Conte basically covered the questions I have.

Chairman SKELTON. Thank you very much.

I would like to ask Mr. Falkowski, on page 4 of your testimony, you state, "I would like to point out at last years hearing I was assured by the SBA that I would be updated on all actions relative to veteran small business activities."

Who made that assurance?

Mr. FALKOWSKI. During the time of the hearings, we had meetings with the staff of the SBA veterans' program, and I was assured that——

Chairman SKELTON. Give me a name.

Mr. FALKOWSKI. Richard Ellis was primarily a——

Chairman SKELTON. He primarily made the assertion? All right.

Mr. FALKOWSKI. He assured me that he would keep me posted on the newest developments, and I would have dialogue and input into the process.

Chairman SKELTON. You also state, "Since last year's testimony, I have received no updates or communications from the SBA Veterans' Affairs Office"

Is that correct?

Mr. FALKOWSKI. That is correct, sir. Mr. Chairman, I would, if I could, request that the testimony be kept open for a couple of weeks so other national leaders could present some information and some models. Would that be possible?

Chairman SKELTON. We will get that in a moment. Yes, sir.

Mr. FALKOWSKI. Thank you.

Chairman SKELTON. I have a question, Mr. Elmore.

Mr ELMORE. Yes, sir.

Chairman SKELTON. Would you tell us exactly what you believe the SBA or the community college did to damage your innovative veterans' program?

Mr. ELMORE. Well, they basically shut us out, and I was——

Chairman SKELTON. What do you mean by "shut us out?"

Mr. ELMORE. Well—and I am not an expert in contracts—let me explain how this process worked.

Chairman SKELTON. What should have happened that did not?

Mr. ELMORE. They should have provided me monthly and quarterly performance and fiscal reports. I never received——

Chairman SKELTON. Was that a part of the contract?

Mr. ELMORE. That was part of my contract with the community college. I never received a single——

Chairman SKELTON. Do you have a copy of that contract?

Mr. ELMORE. I do not have it with me, but I can submit it, sir.

Chairman SKELTON. Would you supply it to this subcommittee?

Mr. ELMORE. Yes; I will.

Chairman SKELTON. I would like that, and at this time I ask that it be made part of the record without objection.

Mr. ELMORE. I will do that, sir, and I apologize. I was going to bring that.

[The contract may be found in the appendix.]

Chairman SKELTON. You state that they did not compile the contract, is what you are stating?

Mr. ELMORE. Exactly.

Chairman SKELTON. Did you complain about this?

Mr. ELMORE. Yes; I did.

Chairman SKELTON. Did you write letters about this and may we have copies of those letters?

Mr. ELMORE. Yes; you can, sir.

Chairman SKELTON. We would like, without objection, that they be made part of this record.

[The letters may be found in the appendix.]

Chairman SKELTON. What else did you do along that line, sir?

Mr. ELMORE. I talked with Leon Bechet, who is my contract officer in the SBA office about this on an ongoing basis.

Chairman SKELTON. What did you ask him, and what did he say to you?

Mr. ELMORE. Well, I tried to explain the program to Leon.

Chairman SKELTON. No; what did you ask him, and what did he say to you?

Mr. ELMORE. OK. You are asking specifics.

Chairman SKELTON. Yes, sir.

Mr. ELMORE. I asked—and I am a little unclear in this because it was an ongoing process—I essentially asked Leon if there was anything the SBA could do to intervene to try to help us with the com-

munity college as far as trying to get them to adhere to the requirements of my contract.

The reason I did that—this was my primary consideration in this—was that I signed the direct contract from the SBA; I felt, and still feel responsible for the $80,000 in SBA funds plus the $28,200 in inkind services which were supposed to be provided as part of the program.

I felt inadequately prepared if and when there was ever an SBA audit, or somebody came down from the national office to look at the operation of the program.

I do not have the necessary materials in my files to demonstrate where the moneys were spent, in fact, what was accomplished, and what were the final performance outcomes of our program.

Chairman SKELTON. Is it obvious to you that there was a lack or spirit of intent to comply with the law, and to comply with the contract?

Mr. ELMORE. At least with the contract. I am not an expert on the law.

Chairman SKELTON. All right. Counsel has a question.

Mr. ORBAN. Yes; I was just wondering, you had mentioned that you went to Leon Bechet. Is that the correct name?

Mr. ELMORE. Yes, sir.

Mr. ORBAN. Is he the local veterans' affairs officer, who you indicate in your testimony resigned in a dispute with his recently appointed Regional SBA VAO?

Mr. ELMORE. No; Leon is—and tell me if I am wrong, Leon—I believe the Assistant Director of the National Veterans' Affairs Office at SBA.

The local gentleman that I worked with was a gentleman named Jim Gravett who at that time was the veterans' affairs officer for the district office in St. Louis.

Mr. ORBAN. Do you know what the nature of the dispute was that he had with his regional SBA? Was it over you, or was it something else?

Mr. ELMORE. My impression was that it was at least in part about the problems we had with the VET program, and in some ways the lack of support out of our regional office.

In fact, when he mentioned to me that he had resigned—and he resigned twice. The first time they talked him out of it, and the second time he went through with it. He mentioned to me it was in dispute with, but I did not feel it was my role, or that it was appropriate for me to try to dwell into inter-SBA workings.

So, I have suggested—I remember when I talked with Leon that if he wanted a little clearer reading on what was happening in St. Louis, that he might seek Mr. Gravett out because Mr. Gravett was one of the original designers of the program as well.

Mr. ORBAN. You suggested that to Mr.——

Mr. ELMORE. Yes.

Mr. ORBAN [continuing]. To Leon.

Thank you very much

Chairman SKELTON. Mr. Coyle, one quick question, sir. We, as you know, have a time problem. You do state in your testimony that the Veterans' Affairs Office of the SBA was given a total operating budget of $1.2 million.

Of those funds, according to Dick Ellis, the gentleman who is going to testify next, $½ million was earmarked for outreach to veterans. According to the action budget, $700,000 was allocated for that function.

Is that your understanding?

Mr. COYLE. It is.

Chairman SKELTON. Do you have any idea what happened to that $200,000?

Mr. COYLE. I have no idea.

Chairman SKELTON. Did you make inquiry at any time?

Mr. COYLE. I was not even aware of the discrepancy. I was going on Mr. Ellis' word. When we were preparing for this, I had him on a conference call hooked up through Boston SBA.

I asked him about the moneys, and he said $500,000 was earmarked. So, we said fine. I came down here and found out that it was actually $700,000.

But this is nothing new. We do seem to get a lot of confusion. We have been trying to get figures.

Chairman SKELTON. Well, I have in my hand the Continuing Appropriations for Fiscal Year 1987 Conference Report, H.J. Res. 738. On page 434, the seventh line down says Veterans' Affairs, $1,233,000 and VA outreach $700,000, is the figure I have.

Mr. COYLE. Well, of course, I do not have it in a letter, but it was a conference call Friday morning of last week, roughly about 9:30.

Chairman SKELTON. Well, page 434 without objection will be placed in the record at this time.

Thank you so much.

[The material may be found in the appendix.]

Mr. COYLE. Thank you, Mr. Chairman.

Chairman SKELTON. Mr. Ellis, you may step forward, sir. We have a time constraint. I know everyone is cooperating as best we can. We are running two hearings, plus trying to defend our Nation on the floor at the same time.

So, I know you will understand. You all recognize Mr. Ellis.

TESTIMONY OF DICK E. ELLIS, DIRECTOR, OFFICE OF VETERANS' AFFAIRS, SMALL BUSINESS ADMINISTRATION, ACCOMPANIED BY GREG DIERCKS, ASSISTANT DIRECTOR

Mr. ELLIS. Let me say just very quickly, welcome, Mr. Chairman. We are delighted to have you. I certainly enjoyed meeting you and Jim the other night at the Texas function—a very impressive young man.

I always have to pay homage to my Congressmen from the great State of North Carolina, Mr. Lancaster, although he is on the other side of the isle. I certainly endorse him when I am in eastern North Carolina, sir. He is a fantastic——

Chairman SKELTON. I know he appreciates that.

Mr. ELLIS. He is a great, great guy.

Mr. Chairman, and members of the subcommittee, my name is Dick Ellis, Director of the Office of Veterans' Affairs for the SBA.

We would like to thank you for the opportunity to appear before your subcommittee again to share some of the new things our

office is doing, and to provide small business opportunities for veterans.

Since President Reagan appointed former South Dakota Senator, James Abdnor as our new Administrator about a year ago, we have initiated a number of new ideas and programs which we feel have improved our delivery of services to veterans.

I said I was excited about the future for SBA last year when I was here. I am even more excited and committed today.

As you know, our office is tasked with informing veterans about SBA services available to them, and providing educational opportunities for veterans who own small business, or would like to start their own business.

Our office does not process loan applications, nor make loans to veterans. But we do try to ensure that they are informed of loan programs that are available to veterans, and to provide them with training that will increase the probability that their loan request will be successful.

Figures for the first half of this year show that Vietnam veterans have continued their progress in obtaining loans through the SBA guaranteed loan program.

Guaranteed loans totaling $154.3 million have been made to 842 Vietnam veterans so far this year, compared with a total of $149 million to 831 Vietnam veterans in the previous year.

Chairman SKELTON. Excuse me. Let me interrupt if I may. $154 million to 842 Vietnam veterans so far this year?

Mr. ELLIS. Yes, sir.

Chairman SKELTON. That compares to a total last year of $149 million to 831, or to the same——

Mr. ELLIS. Same period, sir. I am sorry.

Chairman SKELTON. OK. That is not clear.

Mr. ELLIS. Yes, sir; it is a typo, and I apologize.

This is an increase of $5 million so far this year, sir. Direct loan requests by veterans remained high during the past fiscal year, and all the funds available were obligated.

This special fund provided by Congress for veterans is fully utilized. The handicapped assistance loan, or HAL program, which can be utilized by veterans who qualify as handicapped is also quite popular.

Veterans participated in the HAL program at about the same levels as in the year before. There are more specific figures, concerning the loan program and figures showing participation by minority, Vietnam, and women veterans in the attached charts.

I will simply say here, in the interest of time, that we are satisfied that we have increased the awareness of our target groups of the existence and availability of our programs.

Current level of service to veterans by SBA and the Office of Veterans' Affairs has increased dramatically over the last year.

During the first half of fiscal year 1988, one half of all SBA's direct loans were made to veterans. This translates to 151 loans for a total of $11 million.

During the same period, 17 percent of the loans guaranteed by SBA were made to veterans who received 1,296 loans totaling $254.3 million.

For Vietnam era veterans this emphasis amounted to an increase of $2.2 million in direct loans, and an increase of $5.3 million in guaranteed loans over the same period last year

The average size SBA loan during the first 6 months of this fiscal year was $200,000 for guaranteed loans and $68,000 for direct loans.

Our loans to Vietnam era veterans averaged $71,000 for direct loans, $196,000 for guaranteed loans.

Chairman SKELTON. Excuse me. All of these figures, are they just for one half of a fiscal year? Are they for a full year, or both?

Mr. ELLIS. I think all of these—yes, sir; that is the average for so far this year

Chairman SKELTON. Just half the fiscal year?

Mr. ELLIS. Yes, sir.

Chairman SKELTON. Could you supplement your statement, where applicable, both here and in your previous page, with the full year's figures?

Mr. ELLIS. Yes, sir.

Chairman SKELTON. It is a little misleading because if it tails off toward the second half, it is not giving us a full and complete picture.

Mr. ELLIS. Yes, sir; I understand. Minority veterans received 13 percent of the SBA direct loan dollars that went for veterans' loans. This means that minority veterans received approximately 19 direct veterans' loans for a total of $1.4 million.

We estimate that minorities receive 11 percent of all the loans made or guaranteed by SBA, or approximately 861 loans totaling $169 million.

This year, SBA has approved 62 handicapped assistance loans for a total of $8 million.

Four of these loans totaling about $200,000 went to minorities, and 14 HAL loans, totaling $1.5 million went to veterans.

Veteran-owned firms that qualify for SBA's 8(a) program received 669 8(a) contracts for a total of $433.4 million, which represents one quarter of the dollars awarded in that entire program.

Many small business contractors are hindered from obtaining work because of the unavailability of bonding. This year, SBA has assisted 344 Vietnam era veteran-owned firms to obtain contracts totaling $35 million.

Altogether, SBA guaranteed bonding that resulted in 1,369 veteran-owned firms receiving contracts totaling $155 million.

One of the priorities of the veterans' program is to increase the participation of veterans in SBA's training and counseling program.

Traditionally, in the training programs marketed to the general public, about 7 percent of the participants identify themselves as veterans.

Last year, in fiscal year 1987, that participation rate increased to 9 percent. The actual number of veterans trained in fiscal year 1987 increased 12 percent over the number trained in fiscal year 1986.

In SBA counseling programs, veterans' participation has increased steadily from 8.8 percent of the total in fiscal year 1981 to

21 percent in fiscal year 1987, which represents an alltime high for us.

The agency is still in the process of implementing a new management information system. It is my understanding it will not be until the end of the third quarter, or early in the fourth quarter that official training and counseling figures for 1988 will be available.

However, a new veterans' program priority is to improve field reporting of outreach activities—that is, how many veterans' conferences were conducted; how many phones were answered; how many veterans were counseled directly by the field veterans' affairs officers; and how many VAO's spoke before veterans' service organizations and other groups.

This year is the first time we have collected this information systematically, and because of this it is somewhat difficult to establish trends.

In past years, however, we did try to tally the number of veterans' conferences conducted. Last year, SBA conducted 151 such conferences, which was our highest year.

So far this year, as of February 1988, we have conducted 221 conferences, 46 percent more than all of last year, Mr. Chairman, and I estimate that SBA will conduct over 400 veterans' conferences this fiscal year, which I think represents a significant improvement.

In addition to the outreach conferences SBA has conducted, over 4,300 veterans have been counseled so far this year directly by the field veterans' affairs officers.

We consider this type of direct counseling special consideration since very few SBA clients receive direct agency counseling any longer.

Also, our field officers handled over 12,000 telephone inquiries from veterans so far in fiscal year 1988. The field GAO's are constantly promoting SBA's services to the veterans' community.

They have made over 2,000 speaking engagements, or other direct contacts with local veterans' organizations, and educational, professional, and governmental agencies concerning SBA programs.

I feel very strongly that SBA's veterans' programs are alive, healthy, and expanding rapidly. I am very proud of SBA's effort to reach out to America's veterans.

Establishing a comprehensive coordinated outreach program for disabled veterans has been a priority of our office. There have been many programs to employ the disabled, but there has been little emphasis on the opportunities business ownership holds for the disabled.

We believe entrepreneurship is a viable option for the disabled veteran. Because of that, we have asked each district to hold at least one disabled veterans' conference per year.

Chairman SKELTON. Did they do that?

Mr. ELLIS. Yes, sir; they are doing it. Our New York regional office scheduled a conference in November in the VA Hospital in Brooklyn with space for 100 people.

Over 200 disabled veterans expressed an interest, so, a second day for the overflow was set. Another conference is scheduled for June at a different location in New York with improved public

transportation excess and another one is tentatively scheduled in the fall.

Of the attendees, one-third were women; one-third were minorities. We encourage veterans to attend with their spouses as well.

Seven disabled conferences have been held across the country so far this year serving more than 500 disabled veterans. One location, Topeka, KS, pledged to conduct one each quarter because of the enthusiastic response they received there.

Most of these conferences were held in VA medical centers because of their accessibility and because the disabled population is familiar with these facilities.

Another initiative which we believe will greatly improve our outreach and training to veterans who are starting a small business is our purchase of 11 business disc programs, and the equipment to run this program.

This system was brought to our attention at this committee hearing, and demonstrated here last year. The business disc utilizes the latest in laser disc technology to take the potential business person through all the necessary steps to plan and start a business.

Upon completion of the business disc program, the veteran will have a complete printed business plan to take to a lender. The veteran is also able to follow up and run his or her simulated business on paper for a year with the business disc.

During the year, running the business, the veteran makes decisions on computer-generated problems which are common to new businesses.

The hardware which runs the program is the IBM Infowindow System. One system will travel in each region with an estimated stay of 60 to 90 days in each location.

Our guidelines ask the regions to place this equipment in facilities such as libraries, community colleges, or small business development centers to maximize the hours they are available to potential entrepreneurs.

As I reported last year, we asked the Service Corps of Retired Executives, or SCORE, to name a veterans' affairs officer in each of their chapters, as well as the national SCORE director of veterans' affairs, and SCORE regional veterans officers.

I can report to you today that the process has almost been completed. The national position and all of the regional positions have been filled.

To supplement the training which has been done, manuals have been written and distributed to all SBA and SCORE veterans' affairs officers.

Also, we are pleased to report that we now have a full staff in the Office of Veterans' Affairs here in Washington. The Office of Veterans' Affairs is also working on outreach of veterans who are being discharged, or retiring from the Armed Services.

We believe this is an outreach effort which must be made, and one which will reach many of the small business owners in the future.

Military services are testing programs to provide these veterans with information about conducting job searches. We hope they will include information about entrepreneurship as well.

Some of our VAO's have already developed good working relationships with the military bases in their areas, such as Texas, Florida, and Washington State.

One of the projects we are proud of this year is our cooperation with the private sector—three of the Bell Telephone systems—to cosponsor a series of business conferences known as Success '88.

We are planning 7 conferences this year with Bell Atlantic, 10 with Bell South, and at least 3 with Southern New England Telephone Co.

Over 3,500 people have, or will participate in these training sessions, and 30 percent of them are veterans. A minority booth is manned at each conference, and a work session on marketing for minority and woman-owned businesses is conducted in each location.

Our cost is a portion of the registration fee for each veteran who attends.

We are in the process of signing an agreement with the Veterans' Administration to assist them in the transfer of medical technology developed at their medical centers to the private sector.

For example, if the VA develops a new artificial leg, we attempt to match this with a veteran-owned small business who could produce them then for the marketplace.

In Nashville, TN, our office is currently working with the Tennessee Valley Authority to develop a mobile training van to serve rural communities.

This rolling classroom will be brought into a small town, and a series of week-long small business activities will be centered around it.

This will include veterans' counseling and assistance. Sir, we have saved our proudest program for last. Through our veterans' entrepreneurial training, or VET program, we are offering grants to nonprofit volunteer organizations such as SCORE chapters, Veterans' Business Resource Council, chamber of commerce, and others, who make arrangements with community colleges and technical institutes to provide long-term intensive entrepreneurial training and consulting to a select group of highly motivated veterans.

Our first such grant was awarded jointly with the Department of Labor to the State of South Carolina. Today, we also have VET program grants in Hawaii, California, St. Louis, Missouri, and Ohio.

The average grant is about $90,000 in each community college, with about 50 to 100 veterans participating in each program.

We anticipate awarding three to four new grants this fiscal year, including one in Colorado, and a minority-oriented one in the city of Atlanta.

This night school type training lasts from 9 months to a year.

These programs are successful in South Carolina. We trained 69 veterans with 18 business startups and 31 new jobs created.

In Hawaii, with the program nearing completion now, we estimate that 40 of the 50 participants will be self-employed by the end of the program in June.

In California, the VET program is centered in the San Francisco, Oakland, Palo Alto area. We originally contracted 105 veterans to

be trained. To date, 199 veterans have been enrolled at no additional cost to the Federal Government.

In these programs we require at least 10-percent disabled veteran participation. Let me give you a couple of examples. In the Northern California grant, 67 of the 199 veterans are disabled. That is 34 percent.

There also is 7.5 percent female, and 15 percent minority participation. In the St. Louis grant, 14.6 are disabled, and 3 percent are women, and 28 percent are minority.

This is also a pilot program designed to demonstrate approaches to providing training for veterans. In the conclusion of the grant period, we encourage the local community to continue providing the training.

This program was so well received in St. Louis that it will hopefully soon be continued by the private sector using private funds.

Mr. Chairman, we feel that we are beginning to pool all of our SBA resources to serve our Nation's veterans. We are expanding our services each year, and reaching out to those who fought to achieve the American dream, to become self employed in a free nation.

Thank you. I will attempt to answer any questions.

[Mr. Ellis' statement, with attachments, may be found in the appendix.]

Chairman SKELTON. Mr. Lancaster, any questions?

Mr. LANCASTER. Two questions.

First of all, Mr. Ellis, last year, when you appeared before this committee you advocated the abolition of the direct loan program for veterans.

In today's testimony you do not mention that. I wonder if that indicates a change in the position of SBA on the direct loan program?

Mr. ELLIS. Sir, I said in my testimony that was the position of the administration.

To the best of our knowledge, it is continuing to be the position of the administration.

Mr. LANCASTER. One last question. Though I had to leave the room for a little while, I have read the testimony of the gentleman from St. Louis, and heard some brief questions as I came back in the room.

His assessment of the St. Louis program and your assessment of it as being very successful are quite different. I wonder if you would care to comment on his testimony, and the difference in your view of the success of that program and his.

Mr. ELLIS. Yes, sir.

While you were out, sir, the gentleman from St. Louis was asked did he have any quarrel whatsoever with the SBA, and he responded that he did not. His major quarrel is a contractual one, as I understand it, with the community college system. We are very proud of Mr. Elmore. We are very proud of the innovative program that they have created in St. Louis.

It is one of five that we have nationally now, and we have learned a great deal, sir from——

Chairman SKELTON. Will the gentleman yield there. Are you saying you have nothing to do with that contract?' Are you washing your hands of the noncompliance there?

Mr. ELLIS. No, sir; it is my understanding, as Mr. Elmore said in his testimony, that he has been cut out of the loop by the community college there.

Chairman SKELTON. This was told you, was it not?

Mr. ELLIS. Yes, sir; it was told to us.

Chairman SKELTON. Did you attempt to correct it?

Mr. ELLIS. Yes, sir; we have——

Chairman SKELTON. Was it corrected?

Mr. ELLIS. It is in the process of being corrected, we understand at this moment, sir.

Chairman SKELTON. OK. Excuse me.

Mr. ELLIS. We have no beef with Mr. Elmore and the Vietnam Veterans' Leadership Program there.

Mr. LANCASTER. But you indicated that it was a success, and that you hoped that it would be carried on. From his testimony, apparently, because of the problems that they had—it is not likely to be carried on. Do you think it is going to be possible to salvage something there that you indicate is a good program that maybe had some problems in its relationship to the college?

Mr. ELLIS. Yes, sir; it has had some problems. As a matter of fact, there has been a $25,000 tax lien by the IRS against Mr. Elmore's not-for-profit foundation, the Vietnam Veterans' Leadership Program.

Our local people on the scene wrote a letter to Mr. Elmore saying Dear Sir, we would like for you to courteously step aside until such time as your legal problems with the IRS are concluded.

So, it is being handled on the local level down there. But there have been some problems between Mr. Elmore and the community college system of which we have no part of. We would like for them to straighten that out so we can get on with the business of educating veterans.

Our people on the local level—district and regional offices—have been involved in those negotiations to try to correct the problem.

I have also sent my deputy from Washington to St. Louis on at least one occasion to assist in those problems as well.

Chairman SKELTON. I will keep this record open 30 days, and I would appreciate your sending us a full report as to: (1) your efforts, and (2) the status of that situation at the end of days, so we may know where you are in your assistance, and where the matter is with the Elmore group. This does concern me.

Mr. ELLIS. Yes, sir; I would be glad to. We have copies of letters that were sent to Mr. Elmore from our local people saying as soon as these problems are corrected——

Chairman SKELTON. Well, I will ask for, as I told you, the——

Mr. ELLIS. Yes, sir; be glad to, sir.

Mr. CONTE. I have one question.

Chairman SKELTON. All right, Mr. Conte.

Mr. CONTE. Mr. Ellis, last year the SBA had problems with training figures and counseling data for the veterans. When you testified last year you said that the agency had hired a contractor to

correct those problems. Can you give us a progress report on the data situation?

Mr. ELLIS. Yes, sir; we call that the MIS system, management information system. It is a computerized reporting system from all of our 10 regions and our 104, 5, district offices all over the country.

It has nothing to do with my veterans' operation. It is another part of SBA, but it came on line, I understand, a new computerized system designed by a contractor on the first of October.

We have a report for the first quarter of this fiscal year. There are some gaps. Some of the problems—for example, the small business development centers, some of them are on the fiscal year; some are on the calendar year. So, we are having some problems getting everybody singing to the same sheet of music and reporting their computerized data at the same time.

Also, we had two of our regions, as I understand it, from our computer experts who did not think that they were required to make a report, and 2 of our 10 regions did not make a report.

I have a Xerox of the computer printout, and it is spotty. But I have been assured this week that our contractors are continuing to work on the program.

The SBA people who are involved in it are continuing to work on it, and the kinks will be worked out, hopefully, by the third or fourth quarter of this year.

Mr. CONTE. Thank you.

Mr. ELLIS. Yes, sir.

Chairman SKELTON. Thank you so much.

I have one last question. You heard testimony, Mr. Ellis about the $200,000 discrepancy.

Mr. ELLIS. Yes, sir.

Chairman SKELTON. Can you explain that, sir?

Mr. ELLIS. Yes, sir.

As we talked to our Boston people on the telephone, I do not think I was introduced to Mr. Coyle, and I was not aware that he was on the conference call in our Boston offices speaker phone system there, at the time.

We commonly refer to as half million dollars, I think, rather than saying the figures "$500,000." In that telephone conversation, I said we have a half million dollars for veterans' outreach, which is, as my staff will testify, something that I very commonly will say referring to an exact amount that is allocated to us of approximately $700,000.

I think it is $700,000—$705,000 this year is the exact number. But I commonly say, we have got a half million dollar in veterans' outreach funds, which we are very proud to have.

Chairman SKELTON. How much did you actually spend last year on outreach?

Mr. DIERCKS. Last year we spent——

Chairman SKELTON. What is your name?

Mr. ELLIS. I am sorry. Greg Diercks, who is our Assistant Director.

Chairman SKELTON. Spell your last name.

Mr. DIERCKS. D-I-E-R-C-K-S.

Chairman SKELTON. Your name is Greg Diercks? You are the Assistant Director?

Mr. DIERCKS. Yes.

Chairman SKELTON. Now would you answer the question, please?

Mr. DIERCKS. The amount of funding we had last year or fiscal 1987, excluding the approximately $300,000 we were given to fund the 10 new veterans' affairs officers positions was around $1 million.

Of that—for our entire office—we spent a little over $600,000 on outreach for veterans last year.

Chairman SKELTON. Can you give us, within 30 days the exact figure, please?

Mr. DIERCKS. Yes, sir; certainly.

Chairman SKELTON. There will not be a $200,000 discrepancy, is your testimony, is that correct, Mr. Diercks?

Mr. DIERCKS. Yes

Chairman SKELTON. Is that correct, Mr. Ellis?

Mr. ELLIS. Yes, sir; there is no discrepancy to us, sir. We have $700,000 in veterans' outreach funds, and I commonly referred to it as we have a half million dollars in veterans' outreach funds

Chairman SKELTON. Thank you so much. I appreciate your being with us this morning. The hearing is hereby adjourned.

[Whereupon, at 10:22 a.m., the subcommittee was adjourned, subject to the call of the Chair.]

APPENDIX

Opening Remarks of the Honorable Silvio O. Conte
Hearing on Small Business Opportunities for Veterans
May 4, 1988

Thank you Mr. Chairman. Before we begin I would like to congratulate you in your new role as Chairman of the Subcommittee on Procurement, Innovation and Minority Enterprise Development. It is a great pleasure to work with you, particularly on a committee that deals with so many critical small business issues.

I am pleased Mr. Chairman, that your first hearing should be with our country's loyal sons and daughters - American veterans.

Last year at about this time the Office of Veteran Affairs had just taken on board a new director, Dick Ellis. Since then he has been extremely busy - placing full-time Veteran Affairs Officers in each of the ten regions, conducting a Veteran Affairs Officer Training School, creating five new training programs for veterans in South Carolina, Ohio, California, Hawaii and Missouri, and is now planning a series of conferences for handicapped veterans. He's also put together a pretty slick handbook for vets (hold up).

Last year when we had our hearing in conjunction with the Annual Speakers' Conference the consensus among veterans was that the SBA should better target its veteran outreach and preserve the direct loan program. There were also concerns about the reliability of SBA data and the failure of the agency to expend all available targeted funds. However, over the past year it appears that the SBA has refocused on the needs of veterans, has delivered more services in terms of counseling, and loans and has established some ambitious goals for FY 88. There has been progress but we can still do more.

I welcome our distinguished panelists today and look forward to their testimony. I think this will be a very productive hearing. Thank you.

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Buffalo and Erie County
PRIVATE INDUSTRY COUNCIL, INC.
Crosby Building • 170 Franklin Street • Buffalo, New York 14202 • (716)856-8705

CONGRESSIONAL TESTIMONY

BEFORE

THE UNITED STATES HOUSE OF REPRESENTATIVES

COMMITTEE ON SMALL BUSINESS

SUBCOMMITTEE ON PROCUREMENT, INNOVATION, AND
MINORITY ENTERPRISE DEVELOPMENT

STATEMENT OF

FRANK J. FALKOWSKI
CONSULTANT FOR VETERANS EMPLOYMENT AND SMALL BUSINESS

BUFFALO AND ERIE COUNTY PRIVATE INDUSTRY COUNCIL, INC.

REGARDING

SMALL BUSINESS OPPORTUNITIES FOR VETERANS

May 4, 1988

Buffalo and Erie County
PRIVATE INDUSTRY COUNCIL, INC.
[illegible]y Building • 170 Franklin Street • Buffalo, New York 14202 • (716)856-8705

Mr. Chairman and members of the Subcommittee:

I am Frank Falkowski, Consultant with the Buffalo and Erie County Private Industry Council. I also serve as a Corporate officer with a family owned and operated printing company known as Copious Graphics. I want to thank you for the opportunity to appear before your subcommittee to share with you my concerns both as a Vietnam veteran and as a small business entrepreneur.

I have been asked to address the nature and extent of Federal involvement in efforts to help Vietnam veterans establish small businesses. My testimony over the past three years has focused on these efforts, and we have been trying to identify and coordinate Federal, State and local activities which would assist Vietnam veterans in small business development. During these hearings you have heard expert testimony on what we believe to be the shortcomings of a flawed approach to veterans' entrepreneur training and programming.

In my conversations with national veteran small business advocates, I have found disappointment and helplessness which in some cases has led to anger and disassociation with the SBA delivery system to veterans. Fortunately, there are some, like those of us here today, who direct their disappointment and anger

into seeking answers to the problems and who are willing to face the distressing process of challenging those who administer veterans' programs on our behalf.

Mr. Chairman, according to a report from Arthur Anderson & Co, that queried 8,000 businesses, a consensus indicates that 1987 was a banner year for small businesses. This cheerful news is based on findings that 70 percent of the businesses in this survey increased sales, exceeded profits and most notable, that 38 percent added jobs. This banner year came despite the fact that some Small Business Administration programs haven't improved their services or have kept pace with changing business trends.

The Small Business Legislative Council last year gave mostly grades of C,D, and F to the Federal government's follow-through on the recommendations of the White House Conference on Small Business in late 1986. This same trend exists for veterans' small business initiatives and past testimony to this committe has clearly demonstrated the gaps and deficiencies that have plagued the SBA and its services to veterans' small business initiatives.

Let me explain briefly what has happened to our initiatives in New York State. In 1985 I started a pilot project with the New York State Small Business development Center in Buffalo. Totally without funding, I was able to piggy-back existing SBDC services and expand counseling for Vietnam veterans.

The purpose of this effort was to meet the increasing requests of our veterans' community for small business counseling, financing and business planning while combining the one-stop concept for veterans' small business services with an in depth information exchange.

In 1986 I submitted a grant to the SBA Office of Veterans Affairs after meeting with Director Vincent Pagano. That meeting was attended by John Mather, Administrator for the New York State Small Business Development Center and Jim Hearn from the office of Action. We were told that our proposal should be modeled after the "South Carolina program". We were sent a copy of the proposal so that we could make adaptive use of our present proposal and put emphasis upon the training features modeled in South Carolina and viewed favorably by the Small Business Administration. This proposal was turned down, and we were told that, unfortunately outreach monies were depleted, that our program had merit and something perhaps could be worked out in FY '87. I would like to point out that our budget was a modest one which would have expanded veterans' small business services throughout N.Y State at 16 SBDC sites, already on line. I believe that the return on this investment would have been staggering and would of shown the effectiveness of such a program.

The proposal submitted in 1987 took a different twist. The local SBDC in Buffalo and the State Agency in Albany began negotiating

their own proposals with the SBA while totally alienating the VVLP in Buffalo which originally orchestrated and developed the New York State model. Both agencies submitted separate grants which were ultimately turned down for reasons that are still not clear to me. I would like to point out that at last year's hearings, I was assured by the SBA that I would be updated on all actions relative to veterans' small business activities. Since last year's testimony I have received no updates or communications from the SBA Veterans Affairs office. I was also assured that I would be included in the national dialogue as requested by this Committee.

The New York project was designed to be a partnership between the VVLP, our State SBDC and the Small Business Administration. Obviously, many saw the benefits of such a program, and they did not feel that it was necessary to consult with the veterans who worked on this proposal. These key veteran players became alienated and misguided to the point where they felt that it was time to move on to other projects that had a light at the end of the tunnel. Apparently, we have gained no footing since last year's hearings, and the recommendations of this Committee have fallen on deaf ears.

I am sure that most of us here today understand the concept of a "planning gap". For a combat veteran, it is the difference between the Joint Chief of Staffs' performance objectives during

war and the estimates of actual performance by those of us in the field. I suggest to you that the same planning gap exists in the delivery of small business services and programs for our veterans. In the four years that I have participated in the Speaker's Conference, I have observed and experienced the continued frustration of my fellow veteran advocates on the issue of veterans' small business. The bottom line in most of our dialogue is the continued planning gaps in the delivery of timely and cost effective programming for veterans' small business initiatives.

Mr Chairman, the veterans community has presented strategic alternatives for "filling the gap" usually derived from the situation analysis of our field work. We have raised questions on what our objectives should be. We have recommended what we felt were the best strategies for achieving those objectives as requested by this committee. For the most part, I have not seen any action of substance for setting new objectives based on these recommendations. What I have seen is a failure by the SBA to react to innovation.

At last year's hearings, I introduced this Committee to a demonstration of an interactive laser disc computer system used in the formulation of a business plan. Representatives from IBM, Maryland Interactive Technologies, and the New York State Small Business Development Center, were on hand to

demonstrate how this system would allow potential veteran entrepreneurs to explore various what-if situations and simulate the results of business decisions made. Through this process we demonstrated how veterans would be able to complete their plan in a more reasonable time frame while applying critical educational instruction which would reduce counseling time necessary in the manual preparation of a business plan. It was my hope that this educational tool would be considered by the SBA as a training tool in their special projects for veterans or at least networked with the veterans' community.

We need a more effective and efficient information exchange for the resources, information, guidance, and referrals needed to plan, finance and develop small business ventures for Vietnam veterans. This technical information must be put in the hands of key players in veterans' small business initiatives when they most need it. We need in-depth analytical mini-case studies of model veteran small business ventures--both successes and failures. We need an information exchange dedicated to providing veterans with a thorough inventory of funding sources for veterans small business developments, including remaining Federal programs, State programs, alternative intermediaries and small business incubators for veterans. Such a data base would direct attention to the questions and problems of veteran small business clients, provide start-up information and regional networking.

This may be one alternative of filling the gap in the current delivery of veterans' small business services and information. How can veterans be expected to succeed in small business if the information they need to succeed is flawed, outdated or never shared?

Imagine what veterans could accomplish if they were linked with national and regional veteran and small business organizations with community based memberships, the developmental and small business agencies of cities and states, foundations and economic development organizations active in funding small business initiatives; and veteran advisors to veteran entrepreneurship. Veterans need a small business network that is persistent and timely in its networking. We're asking for the same customized research that enables corporate America access to detailed answers to their specialized, sometimes esoteric, inquiries.

In closing, I would like to address the elimination by the President of all funding for direct loans to veterans. During last year's hearings Mr. Ellis, Director of the SBA Veterans' Affairs Office, made a few remarks concerning the Direct Loan Program. He said and I quote, "We believe that government should return banking to banks, especially since banks are better able to provide the day to day business services that small businesses require. Elimination of our Direct Loan Program will

help the small business person establish a better relationship with the banker."

Mr. Chairman, this viewpoint is extremely flawed. Veterans around the country have relied on this program because of the insensitivity of banks to fund projects under six digits. Very little happens with regard to counseling or training on a bank level which is why we have promoted the use of the SBDC system as the mechanism for bridging the gaps for this type of assistance. I would also point out that American banking institutions are failing at an alarming rate and are now being leveraged out by foreign investors. The justification to eliminate direct loans, is in my opinion, not a sound one since basic access to capital is often denied for low scale start-ups and equity gaps prevent veterans from starting up businesses.

Over the past three years this Committee has heard recommendations and has been provided with models that had the potential to fill the loss of the Direct Loan Program for veterans.

Last year the Western New York Business Development Consortium sponsored a Growth Capital Symposium. The purpose of this program was to identify promising entrepreneurs from the area with viable business plans which had the potential to be matched with venture capital investors for funding. Once the prospective candidates were selected, they were given a forum to present their funding

proposals to the invited venture capitalists.

Dr. David Brophy, Professor of Business Administration at the University of Michigan, directed this Symposium and has organized several successful programs at the university which has raised 80 million dollars for 60 companies in five years. Dr. Brophy became known as a foremost expert on venture capital with the publication of his book, "Finance, Entrepreneurship and Economic Development" in 1975 and has also served as a venture capital consultant to the Australian Government. I believe that these innovative approaches have merit and could be replicated on behalf of veterans small business programs.

In summary, I firmly believe that the resources of city, state, and federal governments will have to be integrated into a comprehensive system of small business services if our veterans are going to compete and benefit in the world of small business. I realize that many of the needed services already exist, but a great deal of work remains for us to do to organize them in a way that will actually make them available to and effective for the Vietnam veterans who need them.

Vietnam Veterans
LEADERSHIP PROGRAM

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MAY 4, 1988

CONGRESSIONAL TESTIMONY

BEFORE

THE UNITED STATES HOUSE OF REPRESENTATIVES

COMMITTEE ON SMALL BUSINESS

SUBCOMMITTEE ON PROCUREMENT, INNOVATION, AND

MINORITY ENTERPRISE DEVELOPMENT

Submitted by:

William D. Elmore

Executive Director
St. Louis Vietnam Veterans Leadership Program

DEAR MR. CHAIRMAN and MEMBERS OF THE COMMITTEE:

Thank you for this opportunity to present my testimony. My name is William Elmore. I am the Executive Director of the St. Louis Vietnam Veterans Leadership Program, a self-help effort first organized in 1973. The temptation to only describe and discuss what we have done in St. Louis is great. However, I feel compelled to be blunt.

The point of my testimony is to convince you of what must be done, and with your support, what can be done to tap an enormous national resource.

Recently in St. Louis, we developed a model program, that, while containing great promise (it is now viewed by the SBA as a national model). Was plagiarized, stolen, manipulated, marketed and sold, for other's profit, while alienating the very strength, heart and sole of it's purpose, the Vietnam Veterans business community.

Under Contract with the SBA, the St. Louis Vietnam Veterans Leadership Program developed the Veterans Entrepreneur Training (VET) program. This program turned $80,000 in Federal dollars into more than $220,000. It motivated more than 1300 prospective Veterans entrepreneurs and screened them into 98 "selected" VET program participants.

This effort was designed to bring together Veteran entrepreneurs, coupled with commitment, investment, motivation, classroom training, purpose, camaraderie, technical services, nuts-and-bolts how to do it skills, resources, advisors, and successful Veterans business mentors. All for the purpose of developing a viable, usable business plan, followed by the next logical step; implementation of that plan into a small business entity.

The hub of this program was the development of a resource, advisory, mentor board. This board was identified, recruited, developed and coalesced by the VVLP. It consisted of Vietnam and Era Veterans, who enthusiastically volunteered their time, business experience and resources to assist their fellow Veterans establish and/or improve a present business operation.

Among these 60+ volunteers were 3 bank presidents, members and partners of local, regional and national accounting firms, successful attorneys, venture capitalists, the Headmaster of a prestigious educational institution, professional lobbyist, public relations and marketing professionals, computer consultants, architects, small and medium sized business owners, and professional administrators. The list goes on. Suffice to say; more resources, experience, talent, influence, power and motivation than any $80,000 SBA program could hope to muster. However, following some initial success, this program, originally designed as a partnership between the VVLP, the SBA, and local Community College District took a different form and shape.

None of the three key people who designed and developed the program, today remains in a position to guide, nurture and direct it. The voluntary advisory board has disassociated itself from the effort, the VVLP is no longer involved, and the local SBA Veterans Affairs Officer has resigned in dispute with his recently appointed Regional SBA VAO. This has happened because non Vietnam Veteran Bureaucrats, in positions to affect the operations of the program, began to pursue, in my opinion, what they thought would benefit themselves and their institutions rather than the initial target of Veteran Entrepreneurs. The shame in this, is that these same persons seek to benefit from the experience of the Vietnam Veterans, with little understanding and consideration of the Veterans themselves. These actions so offended our volunteer Veteran businessmen, that they refuse to cooperate with the Community College and the SBA in the 2nd year of the program.

What these members of our board represent, is an enormous resource for the Veterans community and our nation. They are but the tip of the iceberg. There are literally unknown thousands of successful business oriented Veterans, that if given the vehicle will give of themselves, like no one else. They will help to stimulate, to build and support successful small business with all its corresponding benefit to the community. Presently this resource is being ignored, thrown away, and wasted because the wrong people are in charge. What you should do Sirs, is

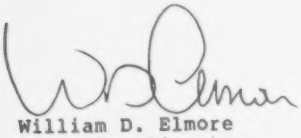
remember the lesson of the past. The Veterans Cost of Instruction Programs (VCIP) were begun on college campuses as an outreach effort in the community to access and accommodate returning Veterans. The Veterans Administration's "Vet Centers" were developed by us to help the V.A. meet the needs of Veterans unable to be reached by normal bureaucratic systems. The Department of Labor, the Action Agency, the White House, the National League of Cities, U.S. Conference of Mayors and to some extent the SBA have all, at some time done the same; asked the Veterans service community to provide the means to reach and serve Veterans.

What must be done is to understand the limits of existing bureaucracy and allow us to pursue what has been done successfully before. Give us a chance. Our story in St. Louis is not unique, but rather similiar to what has happened in Buffalo, New York, the State of Georgia, and elsewhere. The best, most appropriate and effective way to stimulate and mobilize this vast an utilized network, is to provide the resources that empower the Veteran service community; i.e., those of us possessing the interest, skills and experience, to do this for you and for us. It would not be difficult to identify persons necessary to develop a national effort for formation of successful local models. All we ask is that you give us the resources and get the local bureaucratic "loose cannons" out of our way. If we are given this opportunity, we can develop assistance efforts initiated by and thru existing local Veterans

business communities. These can become a focus for leadership and enterprise, and given time, their efforts will spill over to other service areas of need in the Veterans community. What I am talking about is empowering the private sector; not the public.

In closing I ask you to allow us to unleash the potential for achievement and success in our untapped Vietnam Veteran business community. If done properly, this will result in positive growth and strength from our generation of Americans, for all Americans. If given the chance, we will perform.

I want to thank the Joiner Center for this opportunity to present my views, as well as the CHAIRMAN and COMMITTE MEMBERS for your interest and attention. I am available for questions.



William D. Elmore
Executive Director,
Vietnam Veterans Leadership Program
St. Louis, Missouri

GROTE FINANCIAL FUTURES, LTD.

April 29, 1988

Dear Advisory Board Member:

About twenty-five members of the Vietnam Veterans Advisory Board met at the Racquet Club on Kingshighway on April 14th. The purpose of the meeting was to determine if and how we should continue as a group following the SBA/Community College fiasco. The unanimous opinion of those present was that the group should continue in its efforts to help Vietnam Veterans with special emphasis on those programs in which we help veterans or their families help themselves. The assembled group also endorsed my letter of January 28, 1988 as an accurate account of what happened with the SBA/Community College Entrepreneur Program. We also voted not to work with that program any more.

After a lengthy discussion, we asked Bill Elmore to make a formal presentation to the group outlining all of the programs (public and private) which support Vietnam Veterans in the St. Louis area. He agreed, and his presentation is scheduled for 5:00 p.m. Monday, May 23rd at the Racquet Club, Kingshighway. We also asked Jim Warren to look into "The Vet Center" and report back to the group on its operations. I was asked to work with several others and report back to the group on the situation of Vietnam Veterans in local VA hospitals. In general, our plan is to review the various programs available to Vietnam Veterans in this area and then to concentrate on those particular areas or problems of most interest to the group.

Chip Matthews proposed that we invite experts to address our group on subjects of common interest. Chip thought that we could attract active as well as retired military personnel as well as politicans and government officials to talk on issues such as Aid to the Contras, Terrorism in the Middle East, etc. This recommendation was widely supported and Chip was asked to arrange a dinner with a guest speaker within the next two months.

8000 Maryland Avenue • Saint Louis, Missouri 63105 • 314•727•4433

A by-product of a series of dinners with notable speakers would be to solidify our group and increase our ability to get things done. Along these lines, we decided to restrict membership in our group to those who served in Southeast Asia (air, land and sea) and establish a $100.00 per year membership fee. Steve Higgins offered to incorporate our group, but we still have to decide on a name. John Marlow has turned his creative brain to this task, but would welcome suggestions. I have also asked Bob Cranston to be our membership chairman.

I will send you more information on the May 23rd meeting and our first dinner speaker as soon as possible. I have enclosed an updated list of the members of our group for your use.

Thank you again for your support.

Best regards,

Richard T. Grote

RTG/kdf.

GROTE FINANCIAL FUTURES, LTD.

January 6, 1987

Mr. Stephen F.
President
Engineering Co.
11250 Drive
Bri MO 63 4

Dear Steve:

Thanks again for agreeing to serve on the Advisory Board to the Vietnam Veterans Leadership Program's (VVLP) Small Business Training Program. As you know, this program is being funded by an $80,000 grant from the Small Business Administration (SBA) and will be administered by the St. Louis Community College, Institute for Continuing Education (STLCC). Our Advisory Board has been established by the VVLP to oversee the Training Program. Our purpose is to ensure that the Training Program is successful i.e., that it turns out successful small businessmen.

I think that the program has little chance of success without the active guidance and support of interested veterans such as ourselves. On the positive side, I think that a successful outcome will result in additional grants and additional programs to help Vietnam Veterans help themselves. There are more than 100,000 Vietnam Era Veterans in the St. Louis area.

The rest of this letter gives you some background on the VVLP and on the SBA grant. In addition, I have outlined my thoughts on how the Advisory Board should be organized and what issues we should address. Please remember that these are only my initial ideas. We will be looking to you and the other members of the Advisory Board for more ideas and guidance. At present there are about 30 members of our board, but I think that more people will join us in various capacities as our activities become better known. A list of our current "volunteers" is attached to this letter.

Vietnam Veterans Leadership Program (VVLP):

The VVLP was formed in 1982 as an offshoot of another veterans organization. The VVLP helps veterans find jobs, counsels veterans on a range of matters, and runs a free food program. In addition, the VVLP provides information on VA benefits and has a number of social outings or occasions for veterans. The VVLP, which is located at 405 S. Tucker Boulevard, has severe funding problems and always seems to be fighting for its survival. Bill Elmore is the general manager of the VVLP and of the Small Business Training Program.

SBA Grant:

The $80,000 SBA grant received final approval in late October, 1986 and is set to run for one year. Money will be paid out by the SBA on a cost-reimbursement basis. All of the money is to be spent on administration, classroom rental and teaching. Of the $80,000, $72,500 will go to the St. Louis Community College and $7,500 will go to the VVLP. Eighty veterans will go through the program. The budget for the grant is as follows:

To STLCC:	
Clerical Staff - one full-time secretary	17,000
Project Associate - internal manager for program at STLCC	9,500
Advisory Team Coordinator	9,500
Tuition for Vets (Vets themselves pay another $14,000)	12,500
Classroom Rental	7,000
Instructural Material	5,000
Programs Promotion and Advertising	7,000
Services for Advisory Team	2,000
Travel	1,000
Supplies	1,000
Curriculum Development	1,000
Total to STLCC	$72,500
To VVLP: Counsulting and Financial Services	$ 7,500

I have problems with the STLCC budget, but I don't think that we should get bogged down in that. We have to concentrate on making the program work.

The Role of the Advisory Board:

Recognizing that this program has little chance of success without the active support and advise of successful veterans in the business community, I think that we, as a group, have to provide guidance to the program and support to the participants. As I mentioned earlier, our purpose is to ensure that the program funded by the SBA grant is a success. The criterion of success is that the program turns out successful small businessmen. Offshoots of that main goal should be as follows:

- Give a positive attitude and pride to the 100,000+ Vietnam Era Veterans in the St. Louis area.

- Rejuvenate the VVLP which is the only organization in St. Louis specificially set up to help Vietnam Veterans.

- Convince the SBA that their grant has generated positive support in St. Louis (i.e., that they have gotten more than their money's worth) so that new, additional grants will be forthcoming.

Tasks of the Advisory Board:

To accomplish our objective of having the SBA program turn out successful small businessmen, I think that there are seven key things that we will have to do:

1. Get those veterans most likely to be successful small businessmen to apply for the program. This is a marketing and public relations job that should be started immediately. I have done a little bit of research in this area and think that our involvent with this program could result in some favorable press coverage. This coverage, along with some well-chosen advertisements, should reach a very wide audience. In addition, we should ask area banks to identify promising new or small businesses which are run by veterans. I recommend that we appoint a committee of the Advisory Board to handle marketing/public relations and fund raising (development) activities.

2. Choose from among our applicant pool those veterans most likely to be successful small businessmen. We should appoint a committee to select or screen the candidates for our program. Though our main objective will be to select the best candidates, we also have an obligation to discourage those people who are not suited for this type of endeavor.

3. Ensure that the STLCC program is appropriate: We should appoint a committee to review the "curriculum" of the STLCC program. Additionally, the committee should monitor the progress of the STLCC programs.

4. Set up a support or resource group of Vietnam Veterans who are expert in specific areas and who are willing to advise the program participants/graduates. The specific areas of expertise would include but not be limited to legal, accounting and tax, insurance, banking and finance, marketing and production. This committee will be quite large.

5. Develop a thorough knowledge of all government grants, loans, aid programs, and business opportunities available to veterans. We should set up a committee to develop this expertise and make it available to program participants, graduates, and other Vietnam Veterans.

6. Provide information on non-government funding opportunities. A committee should be appointed to advise program participants on how to find both equity and debt financing.

7. Monitor the progress of the program graduates. We should set up a committee to monitor the progress of the program graduates. In addition, this committee should recommend courses of action to our graduate businessmen and coordinate with the veterans resource committee to ensure that appropriate help is available when needed.

Organization of the Advisory Board:

As I noted above, we will serve as an Advisory Board to Bill Elmore, the Managing Director of the VVLP and of the Training Program. We will have contact through Bill Elmore with the SBA (Jim Gravitt) and the STLCC (Huldah Rode).

I think that we (the Advisory Board) should plan to meet as a group about once a month beginning in late January. The meetings will be mostly informational as the bulk of the work will be done at the committee level. We will have committee reports at our meetings and detailed minutes will be kept and mailed to all board members.

In summary, I think that the SBA grant presents us with an opportunity to do something very positive for local veterans and for the community as a whole. Without our involvement the program will probably fail and the SBA money will be wasted. We have to figure out how to make it work--and then do it.

Please let me know of any thoughts or suggestions you might have. I will let you know the date of our first meeting.

Thank you again for your support.

Best regards,

Richard T. Grote

RTG/dmn

Enclosure

J.B. Forbes/Post-Dispatch

Wilbert Packer (front), is a Vietnam veteran who hopes to start his own business with the help of a new program to be operated by the St. Louis Community College and the Vietnam Veterans' Leadership Program. Behind him is William D. Elmore (left), executive director of the veterans leadership group, and Richard Grote, chairman of an advisory group for the program.

Program To Make Vets Entrepreneurs

By Virginia Pick
of the Post-Dispatch Staff

"A lot of vets find it easier to work for themselves. They have their own approach to how the world works, and they need to set their own agenda."

Wilbert Packer, a retired Army staff sergeant, is hoping he has what it takes, not only for the program, but also to go into business for himself.

"I recently lost a job, which I felt was unjustified. I looked at the six years I invested and thought I ought to invest the same time and energy in my own company," Packer said.

After 20 years in the military, Packer feels he has developed some behavioral management and administrative skills. But I run into a problem trying to find a mentor to help me with what he's already learned. I want someone to point me in the right direction."

Packer has a couple of ideas for restaurants. While he admits that the restaurant business is one of the riskier small businesses, he thinks he has identified some niches that need filling.

He is looking to the program to provide additional know how and access to people who can help him find what he needs.

Bill Elmore, executive director of the Vietnam Veterans' Leadership Program, said veterans may make good business owners. "A lot of vets find it easier to work for themselves. They have their own approach to how the world works, and they need to set their own agenda," he said.

The support network envisioned by Grote and the other committee members will help the VBA get its money's worth out of the grant, Elmore said. "With a small amount of money, some in-kind services and free support, we can turn that into real economic growth," he said.

Participants will also be expected to pay part of their own way — a total of $100 to $125, or about $25 for every $35 paid by the grant.

"We want the vet to put some of his or her own money into it," Elmore said. "It's an indication of seriousness."

Participants will take some basic courses similar to those offered in the college's regular curriculum, said James Lahr, dean of instruction for continuing education. But they will not receive college credit for them.

Once they have taken the basic courses, they will be assessed by a team of counselors and workshops will be devised for their specific interests and needs. Lahr said. Some of the subjects he expects will be covered in the workshops include marketing, data processing and record keeping, financial planning, developing a business plan, practical accounting, advertising and promotion and loan acquisition.

There are no educational prerequisites for the program.

Now the program staff completes details of the application process. Elmore is taking informal applications from interested veterans. He can be reached at the Vietnam Veterans Leadership Program, 645 South Tucker Boulevard, Room 1213, in St. Louis.

Vietnam Veterans
LEADERSHIP PROGRAM

West St. Louis Community Center
724 N. Union Boulevard
2nd Floor
St. Louis, Missouri 63108
(314) 367-5505

FACT SHEET

NAME: VETERANS ENTREPRENEUR TRAINING Program (V.E.T.) 1987

WHO: Veterans, certain eligible survivors, or dependents of Veterans with special emphasis on Vietnam and Disabled Veterans.

WHAT: 100 participants are competitively selected. Each participant must pay $175 to enroll in Program components leading to the start up and operation of a small business.

MANDATORY CORE COURSES: A. Developing a Business plan.
B. Starting a Small Business or Managing your Small Business effectively.
C. Other specific classes as necessary.

SATURDAY WORKSHOPS: A. Targeted to specific areas of interest and need. Hands on, nuts and bolts of business operations.

MENTORING-ADVISOR RESOURCES: A. Successful Veteran Business owners, Lawyers, Accountants and Executives, SBA Counselors and others available as volunteers for advise, assistance and mentoring.
B. Visits with existing business of a similar nature.
C. Information about other community resources, i.e., small business incubators, counseling, contracting resources, seminars, assistance, etc.
D. Serve as presentors at Saturday Workshops.

WHEN: CORE COURSES: A. Class room training begins in June, continues into November.
WORKSHOPS: A. Begins the third Saturday of each month, June through November.
RESOURCES: A. Available as needed during and beyond training and seminars.

WHERE: A. Classes & Workshops: Will be scheduled at times and locations most convienent to the majority of participants in the program.

WHY: This is a program of Veterans helping Veterans. Vietnam Era Veterans (average age 40 yrs) are making the decision about entering their own business.

PRIME CONTRACTOR: ST. LOUIS VIETNAM VETERANS LEADERSHIP PROGRAM

SPONSORS: ST.LOUIS VIETNAM VETERANS LEADERSHIP PROGRAM
THE SMALL BUSINESS ADMINISTRATION
THE ST. LOUIS COMMUNITY COLLEGE DISTRICT

Dear Mr. Chairman and members of the Committee:

My name is Michael C. Coyle, I am from the William Joiner Center for the Study of War and Social Consequences, which is located at the University of Massachusetts at Boston. It is an honor to be invited to give testimony before you this morning, I hope this testimony will help you to see clearly that Veterans, those who have served, deserve to be served.

In a letter I received from your chairman, Representative Ike Skelton, I was asked to address three basic areas:

1. Is the SBA fulfilling their requirement to give "special consideration to veterans of the armed forces in all agency programs"?

No. The SBA does not give special consideration to veterans in <u>all</u> agency programs. They do have special programs designed for veterans. In fiscal 87 the Veterans Affairs Office at the SBA was given a total operating budget of 1.2 million dollars. Of those funds according to Dick Ellis $500,000 was earmarked for outreach to veterans. According to the actual budget $700,000 were allocated for that function. Either way it is not enough. That there is a discrepancy between the two figures is typical of the confusion surrounding the entire situation.

When we speak of special consideration for programs, we have to look at those programs. The reason I am giving testimony is because of my involvement with the adminstration of the "Governor's Veterans' Small Business Program" a program that was run in Massachusetts with discretionary funds from the Dept. of Labor, through our own Office of the Commissioner of Veterans Services. Our program consisted of six classes run 1 night a week for six weeks. The average class was 2.5 to 3 hours long. The students also had the opportunity to get one to one counselling on their business plans with three Saturday consulting sessions. For those veterans who completed the course there was a great deal of information given out. This <u>was not enough information to open and operate a small business!</u> This should be of no surprise to any small businessman. The SBA is offering seminars on Small Business start-ups also. There is one scheduled for early June in Brockton Mass. It will be on a Saturday morning from 9:00am to noon, this is not going to put any veteran into business, it will not produce any business plans which can be presented to a financial institution for loan consideration. I question what it does accomplish.

The second question we are to address is:

2. In the past few years we have seen a decline in the number of veterans who are being served by the SBA's special programs. Do I believe this trend is continuing? If so, what do I think the reason for this is? Do I have any recommendations to increase the number of veterans using the agency's services?

Yes it may appear that there is a decrease in the number of veterans being serviced. What does the SBA consider serviced to mean? I am told that a new computer system installed at the SBA not long ago was at fault for these low numbers. I have also been told that the SBA only counts as serviced those from whom they receive applications for loans. It is regardless what I am told, because at this time there are very many veterans in need of solid services in regards to small business. Based on the survey of the "Massachusetts Special Commission on the Concerns of Vietnam Veterans" it was found that 5.1% of those Massachusetts veterans who answered the survey were interested in or had started a small business. This comes out to approximately 16,500 veterans in Massachusetts alone. To carry that figure a step further it is obvious that against a National population of Vietnam Veterans the numbers are very high approximately 500,000 or higher.

We also have to look at the mean ages of our various veteran populations. Our WWII veterans and in many cases our Korean veterans also, are at an age where starting a small business in not practical. They have either been established in business already or have been established within the working force. In many cases these veterans are ready for retirement of have already retired. The pool of Vietnam Veterans to be serviced is estimated at upwards of 500,000. Their mean age is 40 years old. According to reports commissioned and compiled by the SBA this is the exact mid point of the average age of an owner of a first time small business, that age being 35 - 45 years of age.

So it may very well appear that the number of veterans needing service has declined, but I feel that given a positive reception with some real tangable help you will find a veritable bonanza of Vietnam Veteran entrepreneurs poised to begin a new wave of business starts.

An increase in funding for programs to veterans is definitely in order. The vehicle to provide those services is not through 3 hour seminars administered by a federal agency. The institution of programs that are thorough and have linkages to actual opportunities are needed whoever administers them.

The third question we are to address is:

3. What is our analysis of the effort the SBA is making to provide outreach and awareness of the agency's programs to veterans?

We are distressed that the SBA Veteran Affairs component is actively advocating for the abolishment of the direct loan program. This represents the only program where veterans have a opportunity to gain funds for small business operations, from the Federal Government. This is of course perceived, gaining access to the record is how many veterans were granted how much money is problematic. We would like to know the breakdown on this

program. Start-ups? Small or micro type business? etc.

Programs are fine. We must know how to balance our books, make projections, and have marketing strategies. These are essential to any small business. But training does not equal an opportunity. I have a problem with the "loan decision stage". It seems that this is an acceptable time to say the job has been done. In reality this is when the job should begin. For it is when a veteran decides he is ready to go for a loan that he needs the most support. When I say support I mean opportunities! Why arn't the men and women who protected our interests on foreign ground, given access to those interests on their own ground. I understand that following this hearing you will be hearing from minorities on why they don't receive their "set asides". We would dearly love to be fighting the same fight. Why are there no set asides for veterans. Why shouldn't veterans be given a piece of the procurement and contracting pie. Do we have to prove that we are socially or economically disadvantaged? That certainly wasn't a requirement for sending us to war, although many of us met those requirements anyway. We are not against an office to protect the interests of minorities, and women in procurement and contracting set asides. We do deserve equal footing.

The Commonwealth of Massachusetts
University of Massachusetts Boston
Harbor Campus
Boston, Massachusetts 02125-3393

May 4, 1988

Dear Committee Members:

I would like to thank you for the opportunity to present testimony before your committee regarding the effectiveness of the program on small business which the William Joiner Center recently administered. That there is a need for programs of this type is evinced by the over-enrollment of this program and the continuing inquiries made to our offices concerning small business, which continue more than a year after the conclusion of the program.

A commitment to veterans is fundamental to a democratic society. The young men and women of our country who served deserve to be given every consideration by the government in encouraging and supporting their endeavors to be a productive force within society.

In the specific instance of small business it is an obligation of the government in a free enterprise economy system to ensure opportunities for veterans to have in the very least a fair chance at establishing a small business. This involves an investment in education, loan programs, procurement set asides, and consideration of veterans in the context of minority business. The average age of the Vietnam veteran population is 40 years old. Statistics show that the average small business entrepreneur is between the ages of 35 - 45 years old. This makes the implementation of any and all assistance for this group of veterans especially timely.

Respectfully submitted for your consideration,

Michael C. Coyle, William Joiner Center

Report on the Governor's Veterans Small Business Development Program

Presented to the
Procurement, Innovation and Minority Enterprise Development
Sub Committee
Representative Ike Skelton
Chairman

by Michael C. Coyle, Department Assistant
William Joiner Center for the Study of War and Social Consequences
University of Massachusetts at Boston

May 4, 1988

OVERVIEW

In July, 1986, the Office of the Commissioner of Veterans Services contracted with the University of Massachusetts/Boston to design and implement the instructional component of the Governor's Veterans Small Business Development Program.

The need for such a program was warranted based on research into the needs of the Vietnam veteran. Two questions pertaining to small business and the Vietnam veteran were included on the Vietnam veteran profile study which was conducted by the Commonwealth of Massachusetts Special Commission on the Concerns of the Vietnam Veteran (1983). Further, the Small Business Administration commissioned thirteen studies on the status of Vietnam veterans in small business. The SBA studies found the need for extensive outreach, management and assistance programs, geared to the small entrepreneur. It was determined, from projections based on the 16,000 respondents to that study, that there exists a pool of approximately 14,000 veterans with intent in small business.

During the spring of 1986 the Commonwealth of Massachusetts Office of the Commissioner of Veterans Services received an award from the U.S. Department of Labor to conduct a small business assistance program for veterans. It was through the efforts and determination of OCVS that this program became a reality.

Responsibility for design and implementation of the program was delegated to the William Joiner Center for the Study of War and Social Consequences, Department of Educational Support Programs, Division of Student Affairs, University of Massachusetts at Boston. The program design, as outlined in the contract agreement, was geared to provide small business management training to interested veterans from across the Commonwealth of Massachusetts.

Follow-up on program participants was to be conducted. The one-month follow-up data were included in the final report as specified by OCVS. This follow-up report, which fulfills the obligations outlined in the contract between the University of Massachusetts and OCVS, contains the latest data concerning the effectiveness of the program.

METHODOLOGY

Various strategies were employed to compile the data which are featured below. The data compiled in this report were gathered from the participants of the program by way of three (3) separate methods.

1. On the last night of class the exit questionnaire was directly administered by Joiner Center personnel.

2. Students who failed to complete or did not attend were sent "no-show" and "non-complete" letters. The exit questionnaire was mailed to those who completed the program, but did not attend the last night of class. All recieved a postage-paid return envelope.

3. Finally, the participants were contacted by phone and the data were gathered through an interview format.

The mailings were made for a period of approximately four (4) months. In several cases, address changes had occurred and remailings were done. Some participants had forms mailed to them two (2) times. Extensive phone interviews were conducted for approximately a one (1) month period. Different times and days were utilized to maximize contact; this included evening and weekend calls. The outcome of these efforts has resulted in an extensive base of information from which to draw.

DATA EVALUATION TECHNIQUES

There were three data collection forms generated. These were the "no-show" and "non-complete" letters, and the exit questionnaire. A "no-show" letter was mailed to every participant who registered but did not show up for any classes. A "non-complete" letter was sent to all participants who attended at least one (1) class but not more than three (3) classes. Exit questionnaires were sent to those who completed four or more classes, but did not fill one out on the last night of class. These letters were sent with postage-paid return envelopes to the participants. Finally, additional phone calls were utilized to garner this information.

The "no-show" and "non-complete" letters were utilized to help in determining why participants did not attend or complete the program. Both of these forms were designed to gather two types of information:

1. Demographic

2. Reasons for either not attending or not completing the program

The principal tool for testing of the curriculum was the exit questionnaire. The questionnaire was designed to collect three types of information:

1. Demographic

2. Prior small business interests, or expertise

3. Curriculum and instructor evaluations

At the end of these forms there was a section for student comments. It was this section which provided insightful suggestions and verified interest in future programs.

The computing system used to compile the answers to the exit questionnaire is Data Base III+. It should be mentioned that with logical data fields (true/false - yes/no), application programs such as Data Base III+ only compiled true or affirmative answers. If not true, then it is either false or not answered.

UPDATED FINDINGS

In the final report which was submitted to OCVS, specific objectives were addressed and data submitted which pertained to those objectives. Since that time, more data have been collected and an update on those objectives will now follow.

The original Outcome Objectives listed in the contractual agreement between the University and OCVS were as follows:

1. Three hundred veterans will enroll in the program.

2. Two hundred veterans will have completed a business plan.

3. Fifty percent of the participants who are applying to the SBA for either a guaranteed or direct loan will reach the loan decision stage.

4. The program will have provided each participating class 18 hours of classroom instruction and 12 hours of consultant services.

OBJECTIVE 1. THREE HUNDRED VETERANS WILL ENROLL IN THE PROGRAM.

During the period September 1, 1986 - March 31, 1987, a total of 19 small business development classes were conducted. Three cycles of six classroom sessions and three workshop sessions each were conducted at 13 locations across the Commonwealth. Over three hundred veterans enrolled in the program. A breakdown of enrollment figures is presented below. Final R indicates the final report figures.

TABLE I: ENROLLMENT

	Final R	Updated
Total Enrollment	407	408
Completed program	197	202
Did not complete	95	103
Registered but attended no classes	95	94
Data currently unavailable	20	9

TABLE II: VETERAN STATUS

	Final R		Updated	
Vietnam	160	39.3%	163	39.9%
Vietnam Era	150	36.8%	154	37.7%
Other Era	17	4.1%	15	3.6%
Recently Discharged	29	7.1%	29	7.1%
Non Veteran Spouse	12	2.9%	14	3.4%
Status Unknown	39	9.5%	33	8.0%

TABLE III: AFFIRMATIVE ACTION STATUS

	Final R		Updated	
Disabled Persons	46	11.3%	49	12.0%
Minorities	37	9.0%	36	8.8%
Vietnam Era Veterans	310	76.1%	317	77.7%
Women	19	4.6%	19	4.6%

OBJECTIVE II.
TWO HUNDRED VETERANS WILL HAVE COMPLETED A BUSINESS PLAN.

Two hundred veterans or 66% of those enrolled were to have left the program with a completed business plan.

Based on the exit questionnaires (approximately 40 at the time of the final report), it was projected that 41.3% would have completed business plans. The updated figure, based on 151 exit questionnaires, is 44.3% of the respondents left the program with completed business plans. A projected 89 participants (44.3% of the total 202) will complete their business plans.

Several factors may have contributed to program deficiency in connection with this goal.

(1) Emphasis on recruitment during the early phases of program start-up dictated less attention be paid to the status of participants' business plans at program entry. This was reflected in a specific question included in the exit questionnaire. Participants were asked, "Before attending this program, did you have any portion of a plan (something written down on paper), or data (numbers, hypothetical records, projections, etc.), which could be incorporated into the formulation of a business plan?" Only 56 participants answered "yes" to this question.

(2) This signifies more than half of the completed plans. If a student

didn't have some specific records, or idea, that student wasn't likely to complete a business plan.

(3) By the end of the first cycle it became evident that the formulation of this objective was unrealistic. Though most participants possessed expertise in their particular line of endeavor, few had a firm grasp of general business management. In short, the amount of management training required to produce an institutionally acceptable business plan was not sufficiently anticipated or estimated.

OBJECTIVE III - FIFTY PERCENT OF THE PARTICIPANTS WHO ARE APPLYING TO THE SBA FOR EITHER A GUARANTEED OR DIRECT LOAN WILL REACH THE LOAN DECISION STAGE.

The success or failure of this outcome objective cannot realistically be determined at this time. Since the loan process with the SBA is quite lengthy, it may not be possible to obtain accurate data until all follow-up interviews have been conducted. All those who completed the program (attended four or more of the six classes) will receive the follow-up surveys from the Joiner Center over the next year. This information will be voluntarily passed on to OCVS.

OBJECTIVE IV - THE PROGRAM WILL HAVE PROVIDED EACH PARTICIPATING CLASS 18 HOURS OF CLASSROOM INSTRUCTION AND 12 HOURS OF CONSULTANT SERVICES.

As mentioned in the program summary, a total of 19 small business development classes (6 weekly sessions per class, 3 hours instruction per session) were conducted at 13 locations (some locations were utilized twice).

In the original design provisions were made for 234 consultant service hours (4 hours on three Saturdays per six-week class, plus an additional 28 hours for minorities and women). In actuality, 180 hours of consultant services were provided at 15 of the 19 classes. The attendance was very low or non-existent at several sites and these sessions were cancelled; they were not cost-effective. Many of the students enrolled were working full-time jobs and maintained family commitments on the week-ends, precluding their participation in the Saturday morning seminars.

Curriculum

All classes followed the curriculum outline as stated in the contract. The Joiner Center engaged the services of instructors from across the state.

The classroom sessions included instruction in: (1) criteria for the decision of self-employment and the development of a small business; (2) information concerning partnerships, sole proprietorships, and corporations; (3) the development of a proper business plan; (4) the identification, selection, and evaluation of business opportunities; (5) information concerning the acquisition of investment capital; (6) the establishment of proper business policies, including methods of pricing, marketing, and sales management, as well as information concerning regulations, taxes, and record-keeping.

The workshop sessions included provisions for: (1) personal attention of the consultant to the actual plan being prepared by the veteran; (2) additional discussion concerning investment opportunities; (3) assistance with applications for federal/state programs - with particular emphasis on the SBA guaranteed and direct-loan programs, and programs especially targeting minorities; (4) assistance with the actual accounting and/or tax return procedures utilized by the veteran.

EXIT QUESTIONNAIRE

In order to evaluate the curriculum, all participants were requested to complete an exit questionnaire upon completion or termination of their program. In the exit questionnaire, the respondents were asked whether the course assisted or did not assist them in advancing their knowledge, in connection with various facets of small business practices. Thirty-five specific and closed ("yes" or "no") questions were included in the exit questionnaire. The final report was based on approximately 40 questionnaires available at that time. The updated figures are listed next to the final report figures, based on the data now being used (151 questionnaires).

Several of the more significant questions and the corresponding percentages are presented below. All percentages are based on those who said "yes" (they were assisted). The series of questions was phrased: "The course has assisted me".....

	Final R	Updated
	40 returns	151 returns
Q 16 - in justifying my entry into small business	86.9%	85.4%
Q 22 - in terms of how to buy an existing business or franchise	52.1%	51.5%
Q 25 - with realistic ideas pertaining to raising investment capital	80.3%	71.5%

Q 30 - in connection with projecting my (future or existing) company's future	86.9%	81.4%
Q 38 - with pricing practices formulas and expenses	65.2%	62.9%
Q 39 - with marketing management and sales planning	67.3%	79.4%
Q 41 - with production and/or inventory control	43.7%	43.7%
Q 42 - with regulations, taxes, and record- keeping	63.0%	64.9%

STUDENT COMMENTS

The conclusions in this follow-up report will be limited to the areas of curriculum evaluation and further program need. Student comments covered the spectrum, from negative to very positive. However, most were left with a positive feeling about the course. The following comments will lend support to this:

"I am satisfied with this course as a 'springboard' introduction into small business."

"It was totally to our benefit; the classes were very informative and showed us how to get down on paper our business plan. Well worth the taking! We hope to put our business in full tilt within a year."

"Although already in business, I learned quite a few things, of which I had no knowledge. All in all, the course has benefitted me immensely."

"The program was well-received and fairly well-executed."

"I appreciate the opportunity to attend these classes, and the information we received was very informative."

The following comments concern specific curriculum:

"Of most interest and most use was the information on taxes and record-keeping. I felt that, in my particular case, that session was worth all others combined."

"Need more information on private-sector support for public-sector project."

"I would like to have learned how to estimate cost for the first five years, so I could figure out how much capital to raise for the initial purchase and then for the operating costs. The total financial picture was what I was looking for."

"I guess I would like to see less marketing information, and less general information."

"More emphasis should have been placed on the running of a business, i.e. accounting, legal issues, tax liabilities, etc. It would have been nice to practice a little bookkeeping perhaps completing a set of working books and records."

"I have been in business on a small scale and wish to expand on personnel/square footage."

Many different students felt they had specific individual needs. This leads to a conclusion which calls for further programs. Students perceived this need and reflected it in these comments.

"The course should be divided into four basic categories:(1) Business Plan (2) Financing (3) Legal (4) Accounting. An advance course should be added for the same with more details in personnel, sales, marketing, management, credit approvals, inventory turn, and spread sheets."

"Please keep me informed of future schooling opportunities."

"MORE!!! Information should be made available to all vets concerning business opportunities."

"Periodic seminars to supplement knowledge. Develop resource help booklet for distribution."

A high number of those who did not complete or attend the course requested that they be informed of future classes.

CONCLUSIONS

The program was a well-intentioned attempt at meeting the small business needs of veterans. For a first-time program it was a definite success, as evidenced by the number of students who completed. A great deal of subject matter was covered in a relatively short period. For some, this was exactly what they wanted. A good example is this students' comment: "Instructors were very articulate and kept to basics without getting into areas too technical." Still others felt that the curriculum didn't delve into any particular subjects

enough. That feeling is reflected in these comments: "Informative, but too general for my particular needs." "The information presented was too general to be of any great help."

The program itself is a starting point that had to be established, so as to determine interest and specify needs. In some cases it filled the need. In others it taught just enough to make specific students want to learn more. In still others, it was not nearly enough, either specifically or generally.

RECOMMENDATIONS

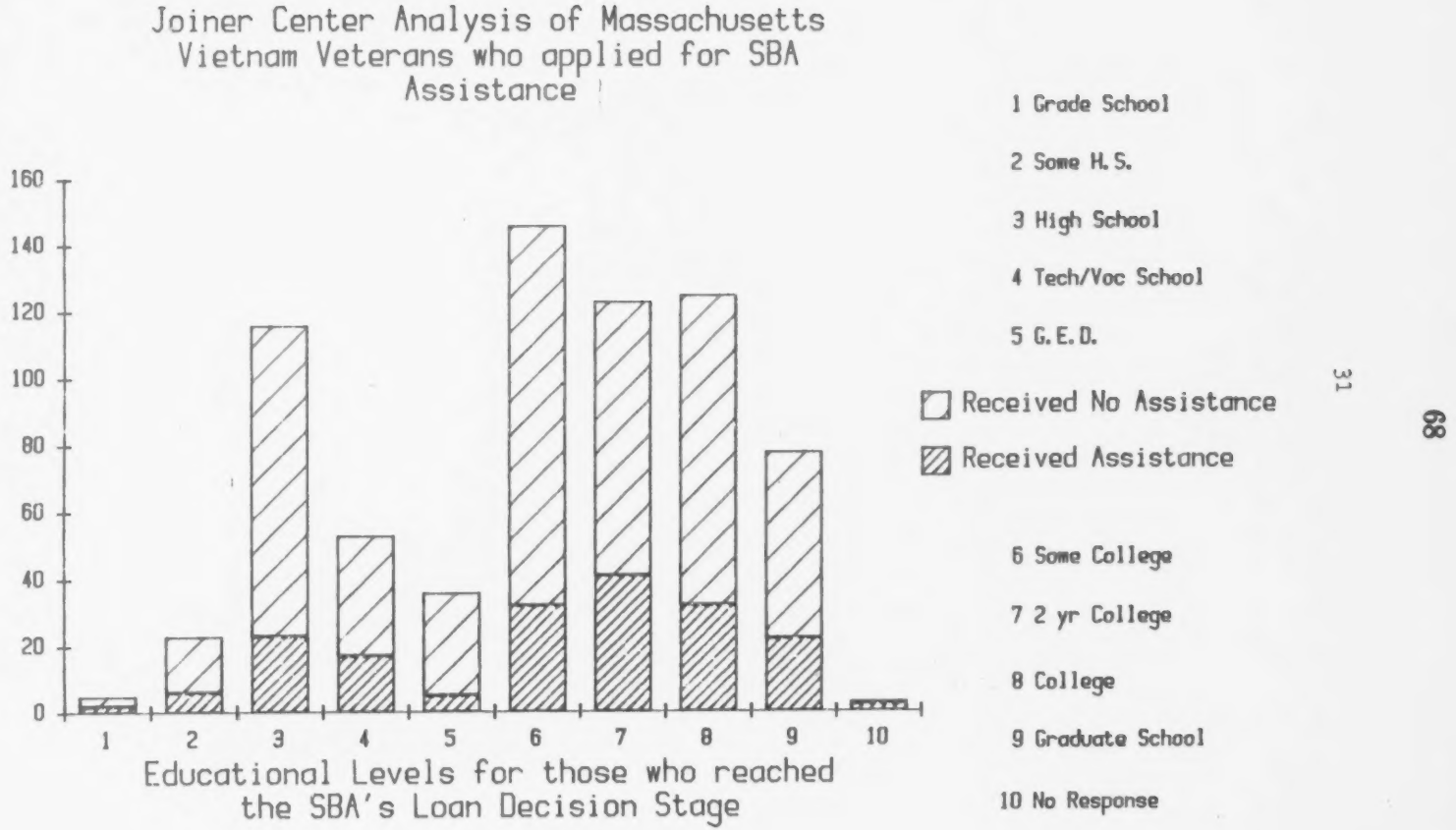
1. Identify specific needs and tailor the curriculum for further courses.

2. Divide initial program into two separate classes:(1) for those in business and, (2) for those thinking about a business.

3. Provide more in-depth seminars on specific small business areas.

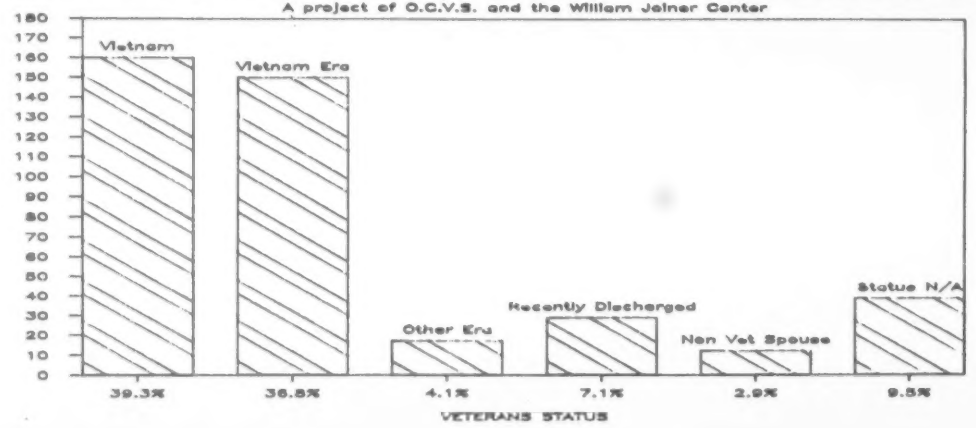
4. Provide a seminar or class solely for the purpose of showing students step-by-step, loan-application procedures.

5. Broaden the base of the Veterans Small Business Network, started by former students and supported by OCVS, Springfield.


Joiner Center Analysis of Massachusetts Vietnam Veterans who applied for SBA Assistance
160
140
120
100
80
60
40
20
0
1
2
3
4
5
6
7
8
9
10
Educational Levels for those who reached the SBA's Loan Decision Stage
1 Grade School
2 Some H.S.
3 High School
4 Tech/Voc School
5 G.E.D.
Received No Assistance
Received Assistance
6 Some College
7 2 yr College
8 College
9 Graduate School
10 No Response

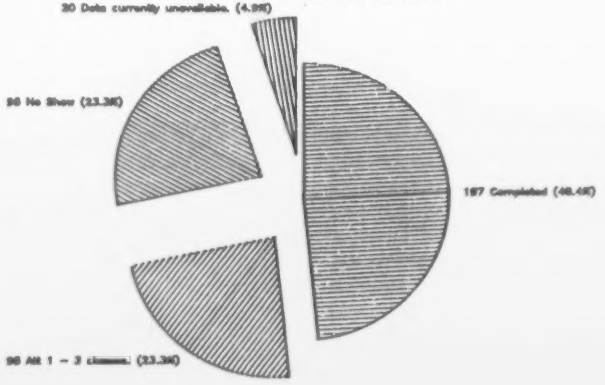
Massachusetts Governor's Veterans Small Business Development Project

A project of O.C.V.S. and the William Joiner Center



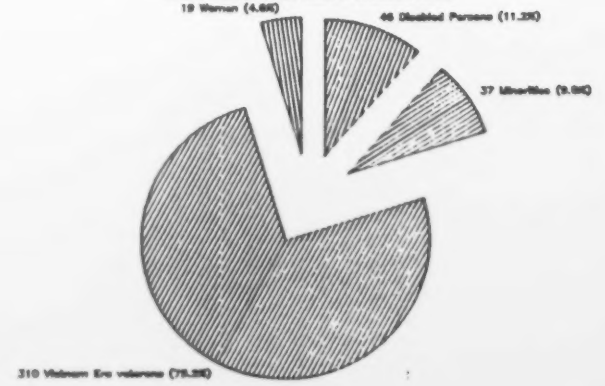
Participation in Program

A series of 6 classes were held at 19 locations.



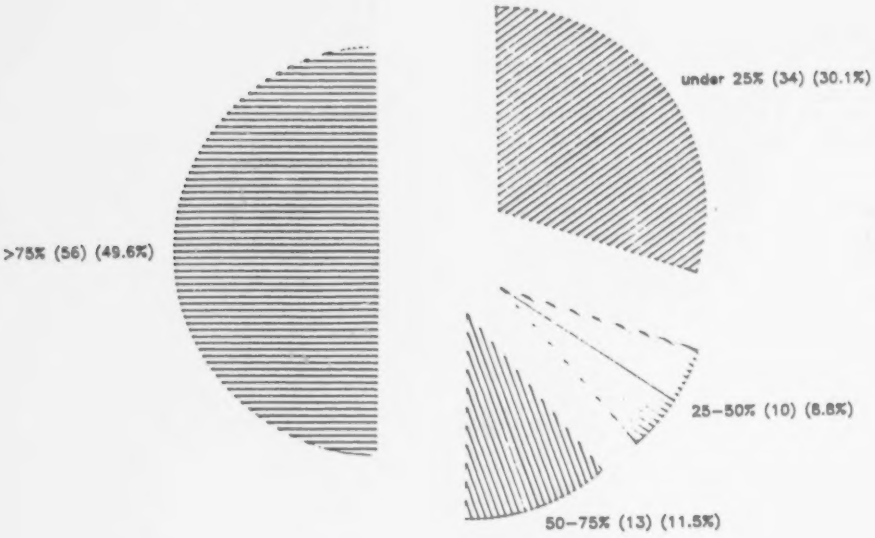
Affirmative Action Status

Criteria utilized – State Office of Affirmative Action



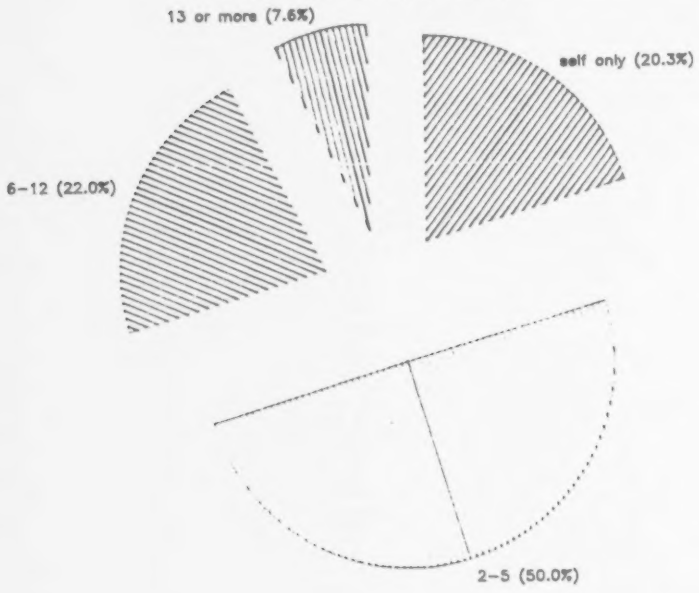
Percent of Income From Small Business

Part Time <= 50% | Full Time > 50%

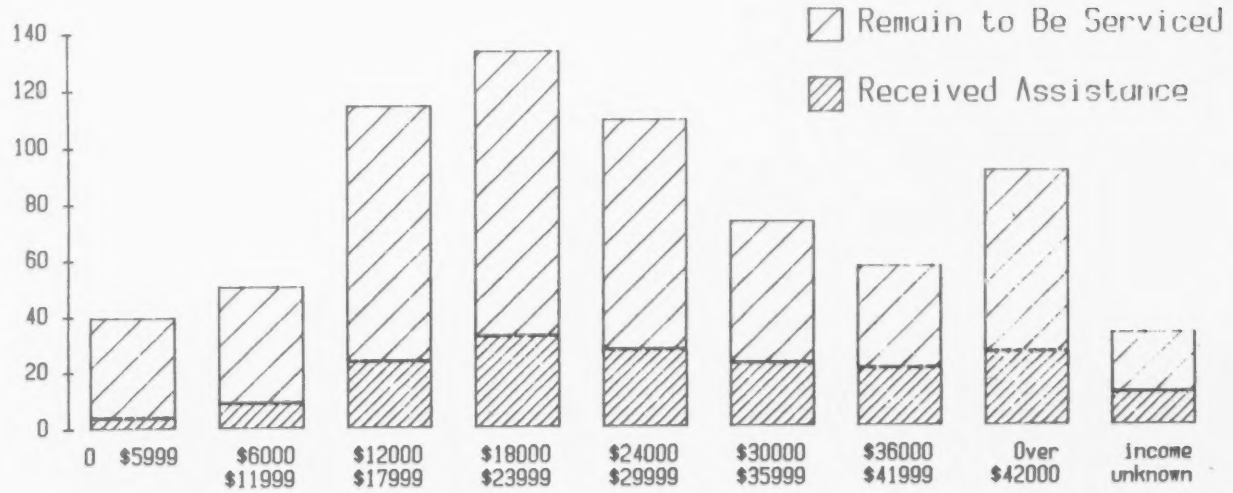


Total Number of Others Employed = 618

Pt time ventures employ 78 people



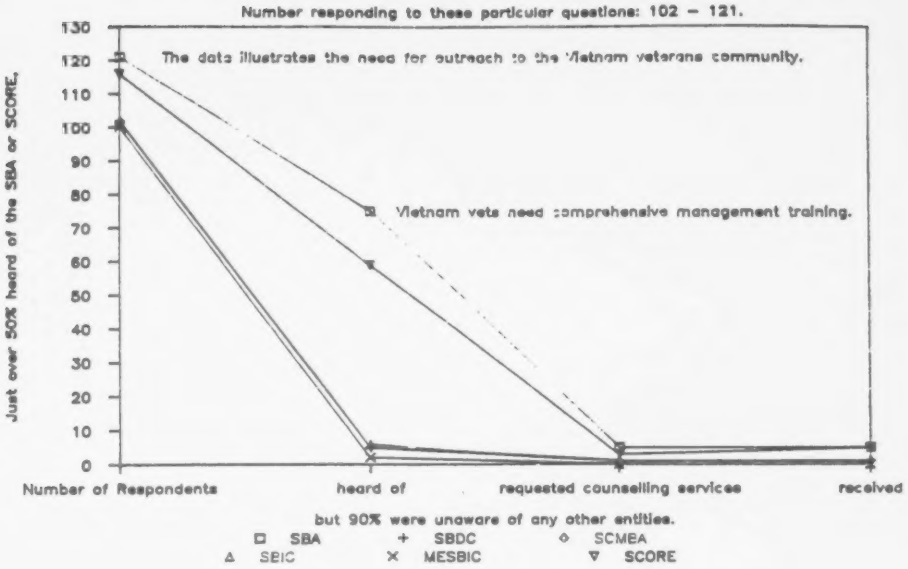
Economic Profile of Massachusetts Vietnam Veterans Requesting Assistance from The Small Business Administration



Income Distribution of Respondents to Commission Survey

Awareness of Small Business Agencies

Number responding to these particular questions: 102 – 121.

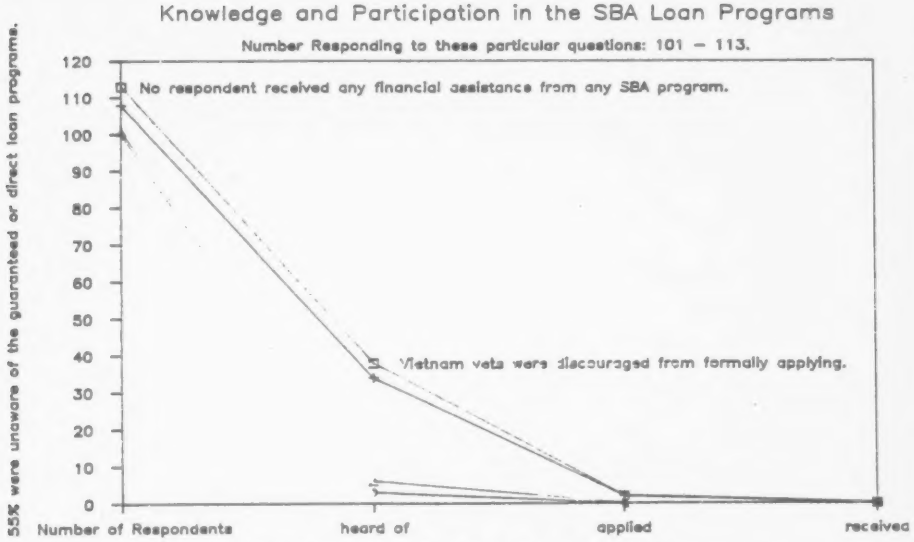


but 90% were unaware of any other entities.

□ SBA + SBDC ◇ SCMEA
△ SBIC × MESBIC ▽ SCORE

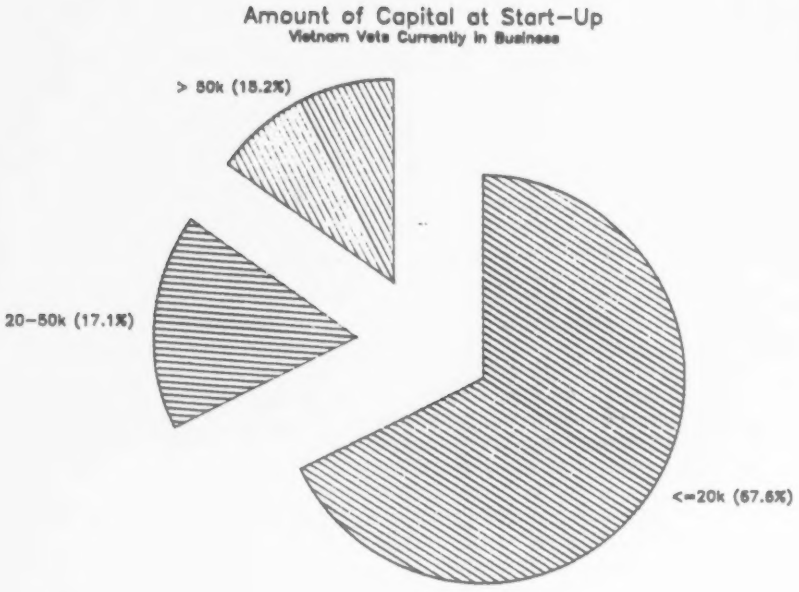
Knowledge and Participation in the SBA Loan Programs

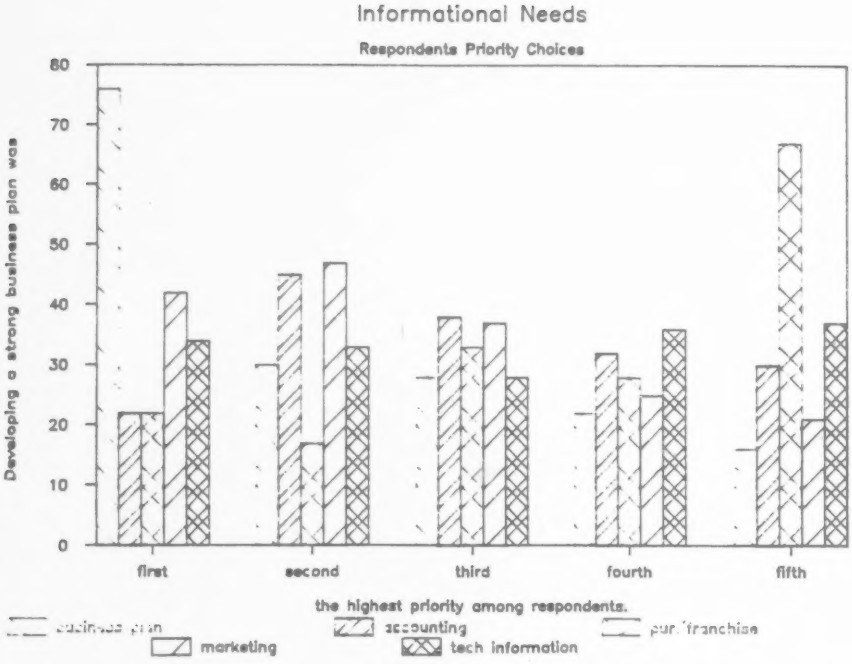
Number Responding to these particular questions: 101 – 113.



Over 90% were unaware of the 7A11, or the 503 programs.

□ Direct loan + Guaranteed loan
◇ 7a11 program △ 503 program


Amount of Capital at Start-Up
Vietnam Vets Currently in Business
> 50k (18.2%)
20-50k (17.1%)
<=20k (67.6%)


Informational Needs
Respondents Priority Choices
Developing a strong business plan was
80
70
60
50
40
30
20
10
0
first
second
third
fourth
fifth
the highest priority among respondents.
business plan
accounting
pur. franchise
marketing
tech information

SBA U.S. Small Business Administration Washington, DC 20416

STATEMENT OF

DICK E. ELLIS
DIRECTOR, OFFICE OF VETERANS AFFAIRS
SMALL BUSINESS ADMINISTRATION

BEFORE THE

SUBCOMMITTEE ON PROCUREMENT, INNOVATION
AND MINORITY ENTERPRISE DEVELOPMENT
UNITED STATES HOUSE OF REPRESENTATIVES
COMMITTEE ON SMALL BUSINESS

MAY 4, 1988

Mr. Chairman and members of the Subcommittee:

I am Dick Ellis, Director, Office of Veterans Affairs. We want to thank you for the opportunity to appear before your subcommittee again to share with you some of the new things our office is doing to provide small business opportunities for veterans.

Since President Reagan appointed former South Dakota Senator James Abdnor as our new Administrator a year ago, we have initiated a number of ideas and programs which we feel have improved our delivery of services to veterans. I said I was excited about the future for SBA last year, I am even more excited and committed today. As you know, our office is tasked

with informing veterans about SBA services available to them and providing educational opportunities for veterans who own small business or would like to start a small business. Our office does not process loan applications or make loans to veterans, but we do try to ensure that they are informed of loan programs that are available to veterans, and to provide them with training that will increase the probability that their loan request will be successful.

Figures for the first half of this year show that Vietnam veterans have continued their progress in obtaining loans through the SBA Guaranteed Loan Program. Guaranteed loans totalling $154.3 million have been made to 842 Vietnam veterans so far this year (FY 1988), compared with a total of $149 million to 831 Vietnam veterans in the previous year. This is an increase of $5 million. Direct loan requests by veterans remained high during the past fiscal year and all the funds available were obligated. This special fund provided by Congress for veterans is fully utilized. The Handicapped Assistance Loan (HAL) Program which can be utilized by veterans who qualify as handicapped is quite popular.

Veterans participated in the HAL program at about the same levels as in the year before. There are more specific figures concerning the loan program and figures showing participation by minority, Vietnam and women veterans in the attached charts. I will simply say here in the interest of time that we are

satisfied that we have increased the awareness of our target groups of the existence and availability our programs. The current level of service to veterans by SBA and the Office of Veterans Affairs has increased dramatically over the last year.

LOANS

During the first half of FY 1988, one-half of all SBA's Direct Loans were made to veterans. This translates into 151 loans for a total of $11 million. During the same period, 17% of the loans guaranteed by SBA were made to veterans, who received 1,296 loans totalling $254.3 million. For Vietnam era veterans, this emphasis amounted to an increase of $2.2 million in Direct Loans and an increase of $5.3 million in guaranteed Loans over the same period last year.

The average size SBA loan during the first six months of this fiscal year was $200,000 for Guaranteed Loans, and $68,000 for Direct Loans. Our loans to Vietnam-Era Veterans averaged $71,000 for Direct Loans and $196,000 for Guaranteed Loans.

Minority veterans received 13% of the SBA Direct Loan dollars that went for veterans loans. This means that minority veterans received approximately 19 Direct Veterans Loans for a total of $1.4 million. We estimate that minorities received 11 percent of all the loans made or guaranteed by SBA, or approximately 861 loans totalling $169 million.

This year, SBA has approved 62 Handicapped Assistance Loans for a total of $8.5 million. Four of those loans, totalling about $200,000, went to minorities. 14 HAL loans totalling $1.5 million went to veterans.
Veteran owned firms that qualified for SBA's 8 (a) program received 669 8(a) Contracts for a total of $433.4 million, which represents one-quarter of the dollars awarded in that program.

Many small business contractors are hindered from obtaining work because of the unavailability of bonding. This year (FY 1988), SBA has assisted 344 Vietnam-era veteran owned firms to obtain contracts totalling $35 million. Altogether, SBA guaranteed bonding that resulted in 1,359 veteran-owned firms receiving contracts totalling $155 million.

SBA TRAINING AND COUNSELING SERVICES FOR VETERANS

One of the priorities of the veterans' program is to increase the participation of veterans in SBA's training and counseling program. Traditionally, in the training programs marketed to the general public, about 7.5% of the participants identify themselves as veterans. Last year, in FY '87, that participation rate increased to 9%. The actual number of veterans trained in FY '87 increased 12% over the number trained in FY '86. In SBA counseling programs, veteran participation has increased steadily from 8.8% of the total in FY '81 to 21% in FY '87 -- which

represents an all-time high. The agency is still in the process of implementing a new Management Information System. It is my understanding that it will not be until the end of the third quarter or early in the fourth quarter that official training and counseling figures for 1988 will be available. However, a new veterans program priority is to improve field reporting of outreach activities, that is, how many veterans conferences were conducted, how many phones were answered, how many veterans were counseled directly by the field Veterans Affairs Officers (VAO), and how often the VAO spoke before Veterans Service Organizations and other groups.

This year is the first time we have collected this information systematically and because of this it is somewhat difficult to establish trends. In past years, however, we did try to tally the number of veterans conference conducted. Last year SBA conducted 151 such conferences which was our highest year. So far this year (as of February, 1988) we have conducted 221 conferences -- 46% more than all of last year. I estimate SBA will conduct over 400 veterans's conferences this fiscal year -- which I think represents a significant improvement.

In addition to the outreach conferences SBA has conducted, over 4,300 veterans have been counseled so far this year directly by the field Veterans Affairs Officer. We consider this type of direct counseling "special consideration" since very few SBA

clients receive direct agency counseling any longer. Also, our field offices have handled over 12,000 telephone inquiries from veterans so far in FY '88. The field VAOs are constantly promoting SBA's service to the veteran community. They have made over 2,000 speaking engagements or other direct contacts with local veterans organizations, and educational, professional, and governmental offices concerning SBA programs. I feel very strongly that SBA's Veterans Programs is alive, healthy, and expanding rapidly.

We are very proud of SBA's effort to reach out to America's veterans.

DISABLED VETERANS

Establishing a comprehensive, coordinated outreach program for disabled veterans has been a priority in our office. There have been many programs to "employ" the disabled, but there has been little emphasis on the opportunities business ownership holds for the disabled. We believe entrepreneurship is a viable option for disabled veterans. Because of that, we have asked each district to hold at least one disabled veterans conference per year. Our New York Regional Office scheduled a conference in November in the VA hospital in Brooklyn with space for 100. Over 200 disabled veterans expressed an interest, so a second date for the overflow was set. Another conference is scheduled for June at a

different location in New York with improved public transportation access and another is tentatively scheduled in the fall. Of the attendees about 1/3 were women and 1/3 were minorities. We encourage veterans to attend with their spouses. Seven (7) disabled conferences have been held across the country so far this year serving more than 500 disabled veterans. One location, Topeka, Kansas pledged to conduct one each quarter because of the enthusiastic response they received. Most of these conferences are held in VA Medical Centers because of their accessibility and because the disabled population is familiar with these facilities

BUSINESS DISC

Another initiative which we believe will greatly improve our outreach and training of veterans who are starting a small business, is our purchase of Eleven (11) "Business Disc" programs and the equipment to run the program. This system was brought to our attention by this Committee and demonstrated here last year. The Business Disc utilizes the latest in Laser Disc Technology to take the potential business person through all the necessary steps to plan and start a business. Upon completion of the Business Disc Program, the veteran will have a complete, printed business plan to take to a lender. The veteran is also able to follow up and 'Run' his or her simulated business on paper for a year with the Business Disc. During the year "running" the

business, the veteran makes decisions on computer generated problems which are common to new businesses.

The hardware which runs the program is the IBM Infowindow System. One system will "travel" in each region with an estimated stay of 60-90 days in each location. Our guidelines ask the regions to place this equipment in facilities such as libraries, community colleges or Small Business Development Centers (SBDC) to maximize the hours it is available to potential entrepreneurs.

SCORE

As I reported last year, we asked the service corps of retired executives (SCORE) to name a Veterans Affairs Officer in each of their chapters as well as a National Score Director of Veterans Affairs and Score Regional Veterans Officers. I can report to you today that the process has almost been completed. The national position and the regional positions are filled.

To supplement the training which as been done, manuals have been written and distributed to all SBA and Score Veterans Affairs Officers. I am also pleased to report that we now have a full staff in the Office of Veterans Affairs, here in Washington.

EXIT COUNSELING

The Office of Veterans Affairs is also working on outreach to veterans who are being discharged or are retiring from the armed forces. We believe this is an outreach effort which must be made and one which will reach many of the small business owners of the future. The military services are testing programs to provide these veterans with information about conducting job search and we hope they will include information about entrepreneurship as well. Some of our VAO's have already developed good working relationships with military bases in their areas such as Texas, Florida and Washington State.

SUCCESS 88

One of the projects we are proud of this year is our cooperation with the private sector -- three of the Bell Telephone Systems -- to co-sponsor a series of business conference known as Success '88.

We are planning seven conferences this year with Bell Atlantic; ten with Bell South, and at least three with Southern New England Telephone.

Over 3,500 people have or will participate in these training sessions, 30% of them veterans. A minority booth is manned at

each conference and a work session on "marketing for minority and women owned Businesses," is conducted in each location. Our cost is a portion of the registration fee for each veterans who attends.

MISCELLANEOUS VETERANS PROGRAMS

We are in the process of signing an agreement with the Veterans Administration to assist them in the transfer of medical technology developed at their Medical Centers to the private sector. For example, if they develop a new artificial leg, we will attempt to match this up with a veteran-owned small business that could produce them for the marketplace.

Our Nashville, Tennessee office is currently working with the Tennessee Valley Authority to develop a mobile training van to serve rural communities. This rolling classroom will be brought into a small town and a series of week-long small business activities will be centered around it. This will include veterans counseling and assistance.

VETERANS ENTREPRENEURIAL TRAINING PROGRAM

We have saved our "proudest" program for last. Through our Veteran Entrepreneurial Training or V.E.T. program, we are

offering grants to non-profit volunteer organizations (such as SCORE chapters, Veteran Business Resource Councils, Chambers of Commerce) who make arrangements with community colleges and technological institutes to provide long-term, intensive entrepreneurial training and consulting to a select group of highly motivated veterans.

Our first such grant was awarded jointly with the Department of Labor to the State of South Carolina. Today we also have V.E.T. program grants in Hawaii; California; St. Louis, Missouri; and Ohio. The average grant is for about $90,000 to each community college, with about 50 to 100 veterans participating in each program. We anticipate awarding 3 to 4 new grants this fiscal year--including one in Colorado and a minority-oriented one in Atlanta. This night school type training lasts from 9-months to a year.

These program are successful! In South Carolina we trained 69 veterans with 18 business startups, and 31 new jobs created. In Hawaii, with the program nearing completion, we estimate that 40 of the 50 participants will be self-employed by the end of the program in June. In California, the V.E.T. program is centered in the San Francisco, Oakland, Palo Alto area. We originally contracted for 105 veterans to be trained. To date, 199 veterans have been enrolled--at no additional cost to the Federal Government.

In these programs we require at least 10% disabled veteran participation. Let me give you a couple of examples. In the Northern California grant 67 of the 199 veterans are disabled. That's 34 percent! There also is 7.5% female and 15% minority participation. In the St. Louis grant, 14.6% are disabled, 3% are women and 28% are minority.

This is a pilot program designed to demonstrate approaches to providing training for veterans. At the conclusion of the grant period we encourage the local community to continue providing the training. This program was so well received in St. Louis that it will, hopefully, soon be continued by the private sector with private funds.

Mr. Chairman, we feel we are beginning to pool all of our SBA resources to serve our nation's veterans.

We are expanding our services each year and reaching out to those who fought to achieve the American Dream to become self employed in a free nation.

I will attempt to answer any questions.

SBA LOANS FY 1988
(October 1, 1987 through March 31, 1988)

	Total Loans	Loans to Vietnam Veterans	Loans to Other Veterans
Direct	(311) 21,146	(140) 9,985	(11) 633
Guaranty	(7,515)1,514,700	(842)154,312	(454) 99,973

REGIONAL BREAKDOWN

	DIRECT		GUARANTY	
	Vietnam	Other	Vietnam	Other
REGION I	(8) 1,089	-0-	(57) 12,810	(25) 6,218
REGION II	(5) 241	(2) 16	(76) 11,459	(24) 5,970
REGION III	(12) 970	-0-	(25) 3,467	(22) 3,988
REGION IV	(32)1,913	(2)221	(133)32,010	(42)10,563
REGION V	(18)1,221	(2) 66	(89) 14,922	(54)13,621
REGION VI	(14)1,058	(2)190	(113)23,637	(70)16,865
REGION VII	(12) 775	(1) 31	(129)16,189	(76)10,752
REGION VIII	(10) 719	-0-	(53) 7,135	(20) 4,934
REGION IX	(19)1,060	(2)110	(124)25,115	(93)21,298
REGION X	(10) 932	-0-	(43) 7,568	(28) 5,701

Key:
( ) = number
Dollars in thousands (000)
These are preliminary figures subject to revision
CVA: 4/29/88

REPORT DATE: 04/21/88

SMALL BUSINESS ADMINISTRATION
8(A) FINANCIAL INFORMATION SYSTEM
ACTIVE 8(A) COMPANIES CONTRACTS - VETERANS
FISCAL YEAR TO DATE ENDED: 03/88

MARS 414A

REGION	NO. OF COMPANIES TOTAL	VETERAN	PCT.	CONTRACT AMOUNT TOTAL	VETERAN	PCT.
1	107	14	13	56,241,642.82	10,332,396.07	18
2	271	42	15	79,532,140.01	17,374,514.42	21
3	695	125	17	492,876,868.02	109,820,900.07	22
4	390	87	22	203,239,409.69	39,623,372.82	19
5	295	79	26	232,270,094.86	47,242,220.74	20
6	405	95	23	177,262,597.71	55,884,187.75	31
7	122	26	21	33,662,133.08	13,703,877.99	40
8	145	39	26	61,910,864.18	32,598,041.07	52
9	385	109	28	289,039,557.07	88,000,806.71	30
10	159	53	33	56,856,222.83	18,794,502.67	33
AGENCY TOTAL	2,974	669	22	1,682,891,530.27	433,374,820.31	25

FUND CODE: 73X4156

SURETY BOND GUARANTEE
SURETY BONDS CONTRACTS - VETRANS
YEAR TO DATE ENDING 03/31/88

REPORT ID: SB6-414
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REGION	NUMBER OF CONTRACTS					CONTRACT AMOUNT				
	TOTAL	VIET VET	PCT	OTHER VET	PCT	TOTAL	VIET VET	PCT	OTHER VET	PCT
0100	121	14	11	34	28	13,842,257	1,794,443	12	3,760,937	27
0200	9		0	5	55	1,341,273		0	674,073	50
0300	92	1	1	24	26	14,324,363	69,523	0	3,225,947	22
0400	867	76	8	318	36	106,689,603	8,397,844	7	36,257,686	33
0500	692	24	3	129	18	61,891,156	1,630,609	2	12,529,762	20
0600	553	49	8	151	27	64,761,632	4,254,352	6	20,920,015	32
0700	584	79	13	120	20	53,246,391	4,630,158	8	12,607,782	23
0800	407	49	12	75	18	59,578,171	7,328,859	12	11,559,844	19
0900	485	25	5	104	21	50,717,953	2,424,694	4	13,614,330	26
1000	356	27	7	55	15	36,072,656	4,824,849	13	4,845,866	13
TOTAL	4,166	344	8	1,015	24	462,465,455	35,355,331	7	119,996,242	25

SUMMARY OF VETERANS OUTREACH - FY 88 (thru Feb.)

Region	Veterans Conferences 1	Contacts and Speaking Engagements 2	Telephone Inquiries 3	Veterans Counseled 4
I	9	57	460	166
II	3	418	792	681
III	4	112	1535	236
IV	52	382	3745	574
V	16	255	1928	572
VI	9	490	501	637
VII	30	126	593	315
VIII	59	85	972	450
IX	28	142	1246	560
X	11	74	824	121
Total	221	2,141	12,596	4,312

Definitions:

1) Conferences specifically for veterans. These are in addition to standard SBA conferences which are marketed to everyone.

2) These are specific individual contacts, either personal or by phone, or speaking engagements by the VAO.

3) Telephone calls about the veterans program or small business handled by SBA offices.

4) Veterans counseled directly by the VAO (not by an outside resource).

OFFICE OF VETERANS AFFAIRS
Fiscal Year 1987
ANNUAL REPORT

I. PHILOSOPHY OF VETERANS PROGRAM

Our nation owes a debt to its veterans -- men and women -- who have sacrificed, suffered and, in many cases, risked life and limb in its service. The Congress recognized this debt in the enactment of Public Law 93-237, which, along with many other statutes, requires special consideration for the veteran. Based on these laws, special consideration now is required in all of the programs of the Small Business Administration (SBA). In addition, studies have demonstrated that time in military service places veterans at a disadvantage with respect to business planning, preparation and experience. Non-veterans enjoy a clear competitive advantage over veterans. For these reasons, SBA is committed to a program to assist veterans.

II. THE VETERANS PROGRAM - A BRIEF HISTORY

On January 2, 1974, the Congress enacted Public Law 93-237. This was, indeed, the acorn from which our current veterans' program sprouted. The law provided, simply, "...the Small Business Administration shall give special consideration to veterans of the Armed Forces of the United States and their survivors or dependents." On June 12, 1975, the Small Business Administration proposed a regulation to define the "special consideration" which would be accorded to veterans, their survivors or dependents. Originally designated as Part 117 of the SBA Rules and Regulations, on October 28, 1977, this provision was re-designated Subpart A of Part 116 of the SBA Rules and Regulations (13 C.F.R., Part 116, Subpart A). On May 14, 1982, the Administrator of the Small Business Administration issued a Policy Statement further clarifying SBA's commitment to provide special consideration for veterans.

It soon became obvious that, if SBA were going to make a serious effort to assist veterans of the Armed Services, the answer was neither going to be found in the routine give-away programs that had been the gimmicks of the past, nor in giving veterans an unfair competitive advantage over other businesses through interest subsidies or other similar concessions. It was decided that the most effective approach would involve: 1) increasing awareness among veterans of SBA's programs; 2) disseminating practical information on what SBA can and cannot do; 3) emphasizing sources of capital and explaining the value of each source in the long-term life of a viable business; 4) educating veterans in those areas critical to successful business planning and operation, and, 5) providing unique services to veterans not typically available through the SBA.

The SBA veterans program is not designed to operate in a vacuum. The veterans program is a combination of separate and unique programs, which, when brought to bear on the needs and aspirations of veterans, can be a powerful tool or resource to create strong and viable businesses for the local community as well as increase entrepreneurship with the resultant tax revenue benefits for state and National government.

III. PRINCIPAL ACCOMPLISHMENTS

In addition to the basic goal of bringing more veterans into SBA programs, there were a number of major accomplishments during FY 1987.

Veterans Affairs Officers' Training

Ten (10) full time Regional Veterans Affairs Officers were appointed and provided training in Washington, D.C. from September 14 to 18, 1987. They were requested to initiate similar training for the District VAOs as soon as possible. This was done between September 21 and October 30, 1987. Also scheduled is a national VAO training session in San Antonio, Texas in January 1988. (Conducted January 21-23)

Veterans Business Resource Councils (VBRCs)

The Director, OVA, did a personal survey of the VBRC program. The objective was to re-vitalize these councils and encourage a higher level of participation. A number of interested individuals and groups were contacted. Two new VBRC's were started and one existing VBRC cosponsored a major conference. A report to Congress on VBRCs also was completed during FY 1987. This is the only complete listing of VBRCs available.

Transition Counseling at Military Bases

OVA worked closely with the SBA field offices, the Veterans Administration and the Department of Labor to provide transitional information to military personnel who decide to return to civilian life. SCORE was actively involved in many of these seminars. This program will expand in FY 1988.

Research Studies Dissemination

OVA has printed Veterans and Entrepreneurship: A Research Digest which summarizes the analyses made in nine OVA-sponsored studies. OVA has distributed approximately 1,200 copies of the Digest to interested persons and organizations and to Members of Congress.

Bell Success 87 SYMPOSIA

OVA continued its participation with the Bell System by co-sponsoring marketing training for veterans. OVA spent $26,500 during Fiscal Year 1987 and the first quarter of 1988 to train approximately 530 veterans in those advanced marketing seminars.

Disabled Veteran Training

OVA has held ongoing dialogue with the veterans service organizations, particularly Paralyzed Veterans of America, to develop a comprehensive national program of training for disabled veterans. OVA

sponsored 5 pilot training conferences with an average attendance of 70 veterans. These pilots all were located at VA Medical Centers and will serve as the model for over 60 to be conducted in FY 1988.

Veterans Entrepreneurial Training Grants

During FY 1987 emphasis was placed on developing and implementing unique programs for veterans. One of the most promising new programs is the intensive entrepreneurial training grants project. Through these grants a select group of veterans participates in a 12-18 month entrepreneurial development curriculum which involves classroom training, one on one counseling, lecturers by prominent entrepreneurs, and in some locations, computer simulations. Preliminary results indicate a great deal of interest among veterans and a high rate of program completion and business start up among those selected.

During 1987 grants were awarded in three states - Hawaii, California, and Ohio - totaling $258,500. The law requires that OVA grants be awarded only to nonprofit/volunteer organizations. Subgrants can be made by the grantee to educational institutions or for profit, private firms. In Hawaii the grantee is the Chamber of Congress of Honolulu and the subgrantee is the Economic Development Corporation, a private, for profit firm. The Northern California Veterans Resource Council is the grantee in California and DeAnza College is the subgrantee. In Ohio the grantee is the Consortium for Entrepreneurial Training and the subgrantee are six technical colleges who are members of the Consortium. This program will be continued during FY 1988.

IV. FY-87 OVA BUDGET

OVA and the Office of the Comptroller developed an operating budget plan for FY 1987 of $810,000.00 for Central Office veterans activities. The table below outlines budget obligations by major object class account. (This budget excludes $250,000 appropriated for the new Regional VAOs.)

Object Class Account		Obligation Incurred
1100/11200	Compensation and Benefits	$264,822.42
2100	Travel	35,055.94
2300	Rent and Communication	1,668.03
2400	Printing	27,249.10
2500	Contracts	105,563.62
2600	Supplies and Materials	4,840.20
3100	Acquisition of Capital Assets	122,028.00
4100	Grants	288,407.00
4300	Interest	4.06
Total Obligation for FY-87		$849,638.37
Total Operating Budget Plan		810,000.00
Balance		-39,638.37

Below is a brief elaboration on the major budget items:

Printing

The Veterans' Handbook continues to be in great demand by the field offices. Over 100,000 copies per year are given to veterans who want to learn about SBA's programs and services. Another publication printed during FY 1987 was Veterans and Entrepreneurship: Research Digest. The Research Digest is a summary and analysis of a recent research sponsored by the Office of Veterans Affairs. This research investigated the economic condition and entrepreneurial activities and aspirations of America's veterans. Other printing activities included direct OVA support of district office training conferences.

Contracts

Contractual agreements included funding for Regional Veterans Affairs Officer training, underwriting veterans' participation in Success '87 Symposia, underwriting of field outreach activities, and supporting Veterans Business Resource Council development.

Acquisition of Capital Assets

The principal cost was the purchase of interactive laser disk computer training stations for field use. Each Region has been allocated one station to be used by veterans to develop a comprehensive business plan. This type of interactive video training is not available to veterans through any other Federal agency. While the equipment was purchased during FY 1987, the program to use the stations is an FY 1988 goal.

Grants

OVA has developed a vigorous and innovative grants program. Beginning in FY 1986, OVA awarded two grants to provide intensive, long-term, entrepreneurial training to veterans, with emphasis on Vietnam-era and disabled veterans. This program intensified in FY 1987 with new grants awarded in the states of Hawaii, California, and Ohio and will continue during FY 1988.

V. VETERANS PARTICIPATION IN SBA PROGRAMS

One of OVA's objectives is to increase recognition, understanding and participation by veterans in SBA's programs. Veterans' participation in many SBA programs, especially its loan programs, has risen steadily in recent years. However, in some agency programs, particularly training programs, veterans traditionally have had a low rate of participation. The tables on the following pages provide data on veterans' participation in all major SBA programs.

90-731 0 - 88 - 4

Guarantee Loans (7(a) Business Loans)

In this financial program, loans are made by commercial lenders and backed by an SBA guarantee. In recent years veterans have received an increasing percentage of the agency's guarantee loans. This is principal lending program of the agency.

GUARANTEE LOANS (7a) (IN MILLIONS OF DOLLARS):

FISCAL YEAR	TOTAL LOANS	TOTAL TO VETERANS	% TO VETERANS
1980	$3,038	373	12.4%
1981	2,902	504	17.4
1982	1,629	358	21.9
1983	2,439	612	25.1
1984	2,858	674	23.6
1985	2,657	609	22.9
1986	2,516	612	24.3
1987	2,649	556	21.0

The following table is a breakout of the loan statistics summarized above.

SBA COMPARATIVE LOAN STATISTICS
LOANS TO VETERANS

		1980	1981	1982	1983	1984..	1985	1986	1987
Appropriation	Direct	364,000	325,000	184,000	200,000	176,300	185,000	38,280	39,000
	FL 97-72	--	--	--	25,000	25,000	25,000	19,140	19,000
	Guaranty	3,405,000	4,358,000	2,575,000	2,940,000	3,030,000	3,180,000	2,950,360	2,291,000
Total All Loans	Direct	360,068	291,688	150,029	125,097	145,016	129,070	47,028	47,057
	Guaranty	3,037,662	2,902,498	1,628,820	2,438,750	2,857,597	2,656,923	2,515,788	2,648,694
Loans to Vietnam-era Veterans	Direct	23,693	25,100	16,902	9,629	22,812	11,874	1,391	1,517
	FL 97-72	--	--	--	8,411	19,847	8,634	19,098	18,997
	Guaranty	135,072	186,030	156,915	275,872	296,097	275,675	306,180	305,497
Loans to Other Veterans	Direct	19,211	19,800	17,407	15,122	15,056	10,467	2,156	1,822
	Guaranty	237,753	318,326	200,970	335,833	377,723	333,178	306,540	250,568

(Figures are $$ in thousands)
FY 1987 figures through September 30
based on preliminary figures.
Guaranty figures are SBA share.

Below is a breakout of FY 1987 loans to veterans delineated by region, type of loan and veterans' status.

LOANS TO VETERANS - BY REGION
(as of September 30, 1987)

REGION	VET	GUARANTY #	GUARANTY $	DIRECT #	DIRECT $
I	VNV	89	16,146	13	700
	Other	49	10,180	0	0
II	VNV	103	20,939	30	1,937
	Other	68	13,736	9	354
III	VNV	66	12,911	28	1,857
	Other	24	4,442	2	50
IV	VNV	220	52,404	71	4,499
	Other	64	15,753	5	263
V	VNV	172	32,630	27	1,825
	Other	130	26,619	5	373
VI	VNV	203	37,076	39	2,266
	Other	224	48,962	1	60
VII	VNV	255	37,304	18	1,152
	Other	215	36,417	4	265
VIII	VNV	152	25,428	23	1,465
	Other	55	10,221	0	0
IX	VNV	241	52,667	26	2,036
	Other	325	75,508	3	312
X	VNV	127	17,993	37	2,778
	Other	44	6,730	2	145
AGENCY	VNV	1,628	305,497	312	20,514
	Other	1,198	250,568	31	1,822

VET Code: VNV = Vietnam-era veteran
Other = Other veteran
$ = 000 omitted

Direct Loans

While the dollar amount of direct lending by SBA has declined substantially in the past few years, direct loans to veterans have increased as a percentage of all direct lending by the agency. The principal direct lending program for veterans was established by Congress in 1983 with Public Law 97-72 under the generic title Direct Loans to Vietnam-Era and Disabled Veterans. Handicapped Assistance Loans (HAL) also impact disabled veterans.

The following table shows a brief summary of SBA's direct lending to veterans (all numbers in thousands of dollars):

	1983	1984	1985	1986	1987
Total SBA Direct Loans	$125,097	$145,016	$129,070	$47,028	$47,057
PL 97-72 Loans to Vietnam-Era Veterans	8,411	19,847	8,634	19,098	18,997
Other Direct Loans to Vietnam-Era Veterans	9,629	22,812	11,874	1,391	1,517
Direct Loans to Other Veterans	15,122	15,056	10,467	2,156	1,822
Total SBA Direct Loans Made to Veterans	33,162	55,715	30,975	22,645	22,336
% of Total Direct Loans Made to Veterans	26.5	37.9	24.0	48.2	47.5

The Handicapped Assistance Loan (HAL II) program offers low interest direct loans to business owned at least 51% by the handicapped. This includes disabled veterans.

HAL LOAN APPROVALS (in 000's)

Fiscal Year	Total Amount	Amount to Disabled Veterans	% to Disabled Veterans
1984	$ 8,654	$1,999	23.1
1985	10,679	2,025	19.0
1986	5,980	979	16.6
1987	3,993	623	6.4

The following table provides the pertinent data for direct loans to Vietnam-era and disabled veterans under PL 97-72 since its inception in 1983.

PL 97-72 - DIRECT LOAN PROGRAM

Fiscal Year	Amount to Vietnam Era Veteran	% to Vietnam Veterans	Amount to Disabled Veterans	% to Disabled Veterans
1983	$ 8,290,700	96.9%	$262,000	3.1
1984	18,602,405	96.2	732,900	3.8
1985	7,859,000	90.0	877,300	10.0
1986	17,991,882	95.2	904,000	4.8
1987	17,702,100	93.2	1,294,900	6.8

Lending through the 97-72 program has been erratic since its start in 1983. However, because of renewed emphasis in the program by OVA, lending during the past two year has been at the allocation limit.

Lending through the HAL program, has shown a marked downward trend while lending through 97-72 has shown a steady increase in dollars lent and an up and down pattern in percentage lent to disabled veterans.

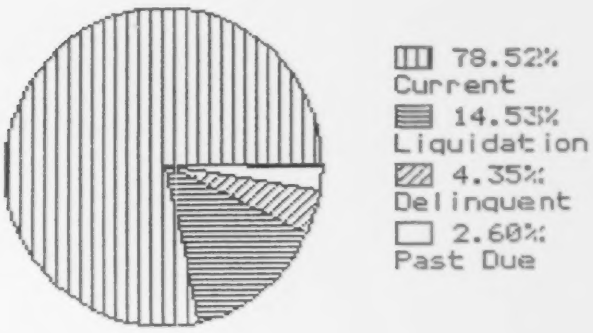
In summary, the amount of direct lending by SBA has declined substantially since 1985. Direct lending to veterans, while also showing a decline, has been reduced less drastically. Consequently, the percentage of total SBA direct lending going to veterans has nearly doubled since 1985.

Performance of Veterans' Loans

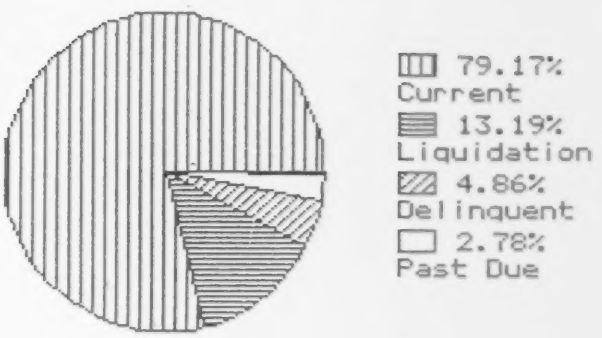
Veterans repay SBA loans at about the same rate as non-veterans. There are, however, a smaller percentage of veterans' loans in liquidation than non-veterans' loans. Loans to disabled veterans have a greater number not current than do loans to non-disabled veterans. The following tables summerize the performance of the veterans loan portfollio.

Status of Outstanding SBA Loans ($ value)

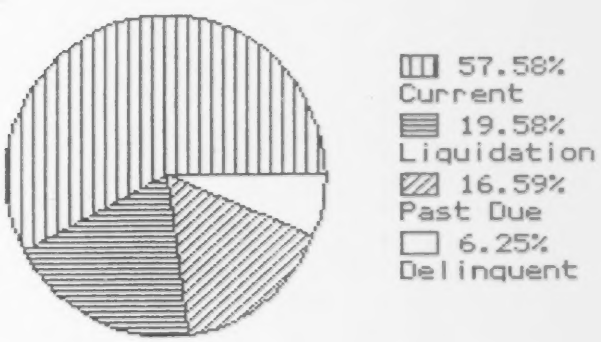
All Loans



Veterans' Loans



Disabled Veterans' Loans



STATUS OF OUTSTANDING PORTFOLIO OF BUSINESS LOANS TO VETERANS
FOR THE QUARTER ENDED 09/30/97

MARS 415

STATUS	TOTAL PORTFOLIO		VETERANS LOANS				DISABLED VETERANS LOANS			
					% OF TOTAL				% OF TOTAL	
	SBA SHARE	NUMBER	SBA SHARE	NUMBER	SBA $	NUM	SBA SHARE	NUMBER	SBA $	NUM
CURRENT	9,981,971,242	91,729	1,721,376,303	16,412	17.0	18.0	2,181,954	40	0.0	0.0
PAST DUE	326,973,018	3,875	60,429,602	710	18.0	18.0	62,865	2	0.0	0.0
DELINQUENT	546,868,039	6,291	105,652,705	1,115	19.0	18.0	236,726	3	0.0	0.0
IN LIQUIDATION	1,928,569,569	15,855	286,754,095	2,776	15.0	18.0	741,794	12	0.0	0.0
TOTAL	12,584,381,869	117,750	2,174,212,705	21,013	17.0	18.0	3,223,339	57	0.0	0.0

Surety Bond Program

The purpose of SBA's surety bond program is to make the bonding process accessible to small and emerging contactors who, for whatever reasons, find bonding unavailable to them. The Agency is authorized to guarantee to a qualified surety up to 80 percent of losses incurred under bid, payment or performance bonds issued to contractors on contracts valued up to $1.25 million. The contracts may be used for construction, supplies or services provided by either a prime or subcontractor for government or non-government work.

Since many veterans own construction firms, their participation in the surety program always has been high. For FY 1987, 32% of all firms receiving an SBA surety bond guarantee were veteran owned. Veteran owned business were awarded over $360,000,000 in contracts bonded through SBA's guarantee program. For comparison, during FY 1985, 32% of the contracts worth about $325,000,000 went to veterans. The table below gives a regional breakout of program activity for FY 1987.

FUND CODE: 73X4154

SURETY BOND GUARANTEE
SURETY BONDS CONTRACTS - VETERANS
YEAR TO DATE ENDING 09/30/87

REPORT ID: SBG-415
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REGION	NUMBER OF CONTRACTS TOTAL	VIET VET	PCT	OTHER VET	PCT	CONTRACT AMOUNT TOTAL	VIET VET	PCT	OTHER VET	PCT
0100	322	36	10	113	35	35,077,366	4,024,048	11	16,470,389	46
0200	22		0	3	13	1,936,552		0	302,586	15
0300	222	10	4	39	17	30,724,689	616,920	2	4,933,724	16
0400	1,039	101	10	480	26	238,961,340	22,763,584	9	53,786,837	22
0500	1,917	86	4	434	22	162,110,788	6,291,873	3	43,079,519	26
0600	1,329	118	8	479	36	120,704,256	12,353,482	10	43,865,696	36
0700	1,525	169	11	285	18	143,184,322	18,176,982	12	31,898,907	22
0800	1,192	127	10	259	21	140,122,410	20,348,912	12	32,190,132	20
0900	903	70	7	196	21	87,259,623	7,625,058	8	18,304,153	20
1000	1,108	63	5	203	18	105,199,167	8,640,521	8	17,567,470	16
TOTAL	10,379	868	8	2,491	24	1584,780,533	100,801,340	9	260,049,413	23

8(a) Program

Firms owned by individuals who are defined as socially and economically disadvantaged are eligible for participation in the 8(a) program. Under this program participants can receive non-competitive government procurement contracts. Veterans, as a group, are not defined as socially and economically disadvantaged. However, if a veteran can prove he is eligible, as an individual, he can participate in the program.

Veterans have typically been heavily involved in the 8(a) program. During FY 1987, veteran owned firms accounted for 22% of those registered and 24% of the contracts awarded -- nearly $350 million. The table on the next page provides a regional breakout of 8(a) data.

REPORT DATE: 10/13/87

SMALL BUSINESS ADMINISTRATION
8(A) FINANCIAL INFORMATION SYSTEM
ACTIVE 8(A) COMPANIES CONTRACTS - VETERANS
FISCAL YEAR TO DATE ENDED: 09/87

REGION	NO. OF COMPANIES TOTAL	VETERAN	PCT.	TOTAL	CONTRACT AMOUNT VETERAN	PCT.
1	106	13	12	$6,139,593.53	$ 18,332,396.07	19
2	275	93	34	73,711,725.71	15,672,253.39	22
3	670	122	18	279,048,139.85	52,335,957.13	19
4	374	83	22	181,117,405.37	34,120,776.97	19
5	242	75	31	205,238,135.03	44,868,118.35	21
6	340	89	23	168,344,567.92	43,356,142.68	25
7	125	24	19	35,185,148.17	13,831,902.68	39
8	193	60	27	77,208,167.36	24,126,760.59	31
9	349	137	37	276,261,346.63	98,176,359.03	35
10	158	58	36	57,676,996.39	19,954,697.68	34
AGENCY TOTAL	2,901	654	22	1,410,864,178.67	340,175,884.33	24

Procurement Automated Source System (PASS)

PASS is a computer based information retrieval system where pertinent data on small firms are maintained on automated file and forwarded to Government agencies or prime contractors either automatically or upon request. The purpose of the program is to enhance the chance of a small firm to land a contract or subcontract.

Veteran owned businesses account for about 34% of all firms registered with PASS. Veteran participation rate has held about the same for several years. The following table provides a breakout by veteran subgroups in PASS.

VETERAN OWNED FIRMS REGISTERED IN PASS

Grouping	Number	% of Total
All Veterans	42,815	34.0
Vietnam Era Veterans	13,572	10.6
Female Veterans	3,852	.03
Female Vietnam Era Veterans	1,424	.01
Total Firms	127,000	

Training and Counseling Services

SBA offers a variety of business development courses throughout the country. It also provides direct, one to one business counseling. Training and counseling are performed by SBA personnel and a wide variety of other resources including the Service Corp of Retired Executives, Small Business Development Centers, Small Business Institutes, and a wide range of both non-profit and for-profit organizations.

The number and percentage of veterans counseled since 1980 has grown steadily the table below illustrates.

VETERANS RECEIVING SBA COUNSELING

	1980	1981	1982	1983	1984	1985	1986	1987
Veterans Counseled	16,350	18,320	21,307	20,001	27,333	40,451	41,535	39,798
Total Clients Counseled	174,828	208,964	191,453	184,908	193,279	202,368	201,818	190,65(
Veterans %	9.3	8.8	11.1	10.8	14.1	20.0	19.9	20.9

VETERANS ATTENDING SBA TRAINING

	1986	1987
Veterans	40,951	45,958
Total Attendees	553,546	522,883
% of Veterans	7.4	8.9
Veterans Training Hours	86,696	107,878
Total Training Hours	20,197,613	91,255,363*
% of Veterans	4.3	Less than 1%

NOTE: Starting in FY 1988, new methods will be used to collect training and counseling data. The probability of inaccurcy is substantial for 1986 and 1987 training data. Training data on veterans was not collected prior to FY 1985.

* Statistic being verified.

VI. FISCAL YEAR 1988 OVA GOALS

The principal goals for the Office of Veterans Affairs in FY-88 are:

(1) Expand Disabled Veterans Outreach

Based on FY-87 pilots, launch a major, national program to train disabled veterans in entrepreneurship and homebased technology. Also, make disabled veterans aware of the entire range of SBA services and work closely with DAV, PVA, BVA and other service organizations to reach the disabled veterans market.

(2) Establish a Base Activity Level

Establish a minimum level of field training activity specially for veterans. The mimimum level is 3 conferences per district office per year. Specifically, one conference will be for disabled veterans, one a prebusiness workshop, and one a more advanced or specialized conference such as franchising, financing, or marketing.

(3) Establish SAVEVET Program

The program is aimed at improving the performance of the 97-72 Direct Loans to Vietnam-era and Disabled Veterans portfolio. The concept is to channel more direct counseling resources (SCORE, SBI, SBDC, private sector) into veteran-owned businesses whose direct loans are more than 30 days past due. OVA will be issuing implementation instructions.

(4) Conduct District VAO Training

Conduct a training conference for all District VAOs some time in early Spring. It will have been two year since the last training sessions and there have been many program changes and new VAOs appointed. OVA has attempted to maintain a two year training cycle.

(5) Improve Field Reporting

A major program weakness has been the failure to receive full and complete reporting of all field activities. A new reporting system will be developed by OVA in early FY-88 utilizing the Regional VAOs as collection centers. One spin-off of this goal is to produce a more complete Veterans Program Annual Report.

(6) Expand the Intensive Entrepreneurial Training Program

This is a grant-based project where a selected number of veterans attend a 12 to 18 month training/counseling program with the goal of 65% of those selected completing the course work and starting a business. Grants range from $80k-$95k. To date, training grants have been awarded in South Carolina, Missouri, Hawaii, California, and Ohio.

(7) Expand Public Relations Efforts

OVA research indicates that there is a great deal of misunderstanding among veterans, veteran organizations, and governmental agencies about SBA and its services. There is also a lack of SBA name recognition among veterans. OVA will make every effort through media channels and staff contacts to rectify these circumstances.

(8) Continue with Success '88 Program

OVA will continue to underwrite ($50 each) veterans attending the Success '88 Symposia. This underwriting has expanded veteran participation in SBA sponsored training programs from generally around 8% to over 20%.

(9) Promote Veteran Business Resource Council (VBRC) Growth

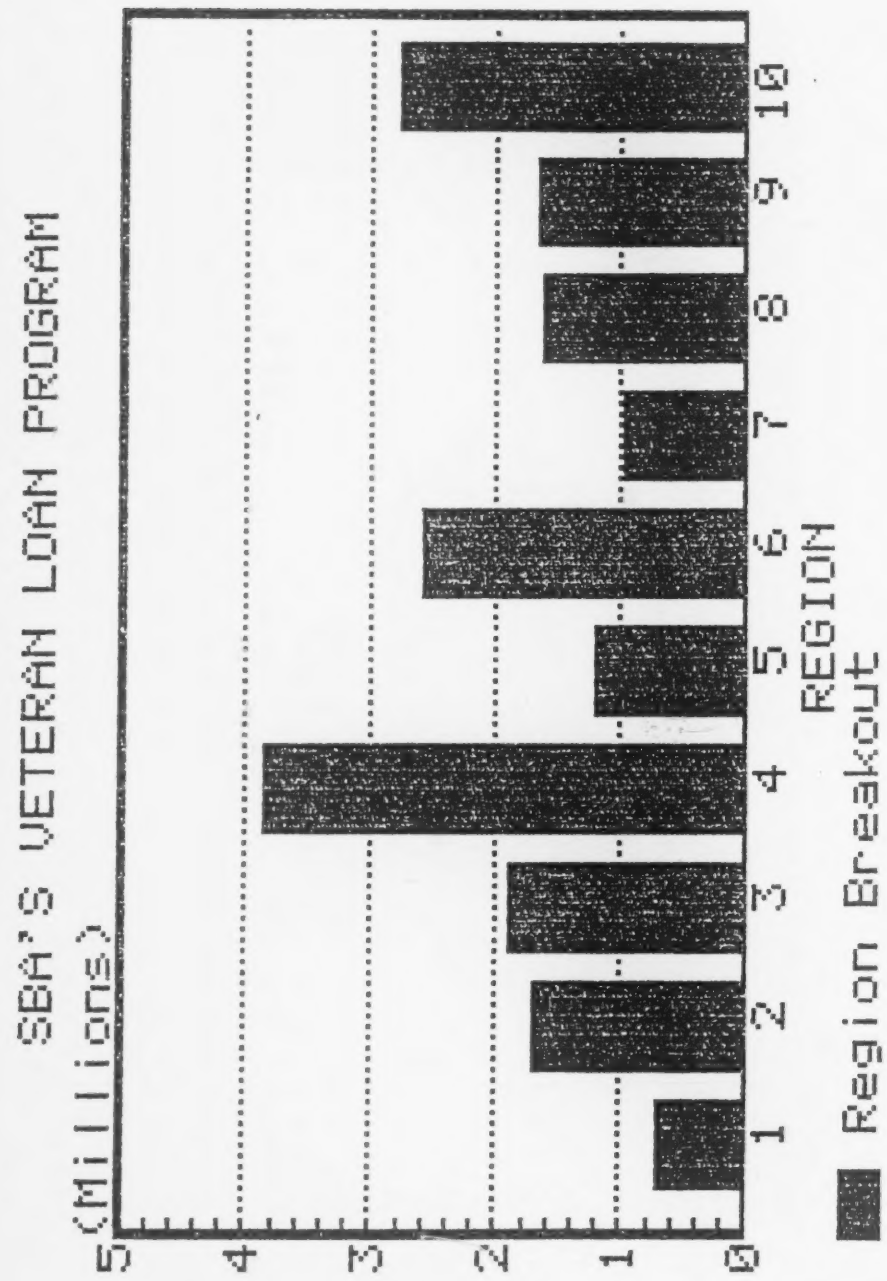
VBRCs are volunteer, not-for-profit, veteran organizations whose purpose is to promote veterans involvement in small business. OVA also can use VBRCs as grant recipients. Our goal is to develop a strategy to create new VBRCs where needed and strengthen existing but inactive VBRCs. The VBRC is an important private sector resource for SBA.

(10) Establish Computer Assisted Training Pilot

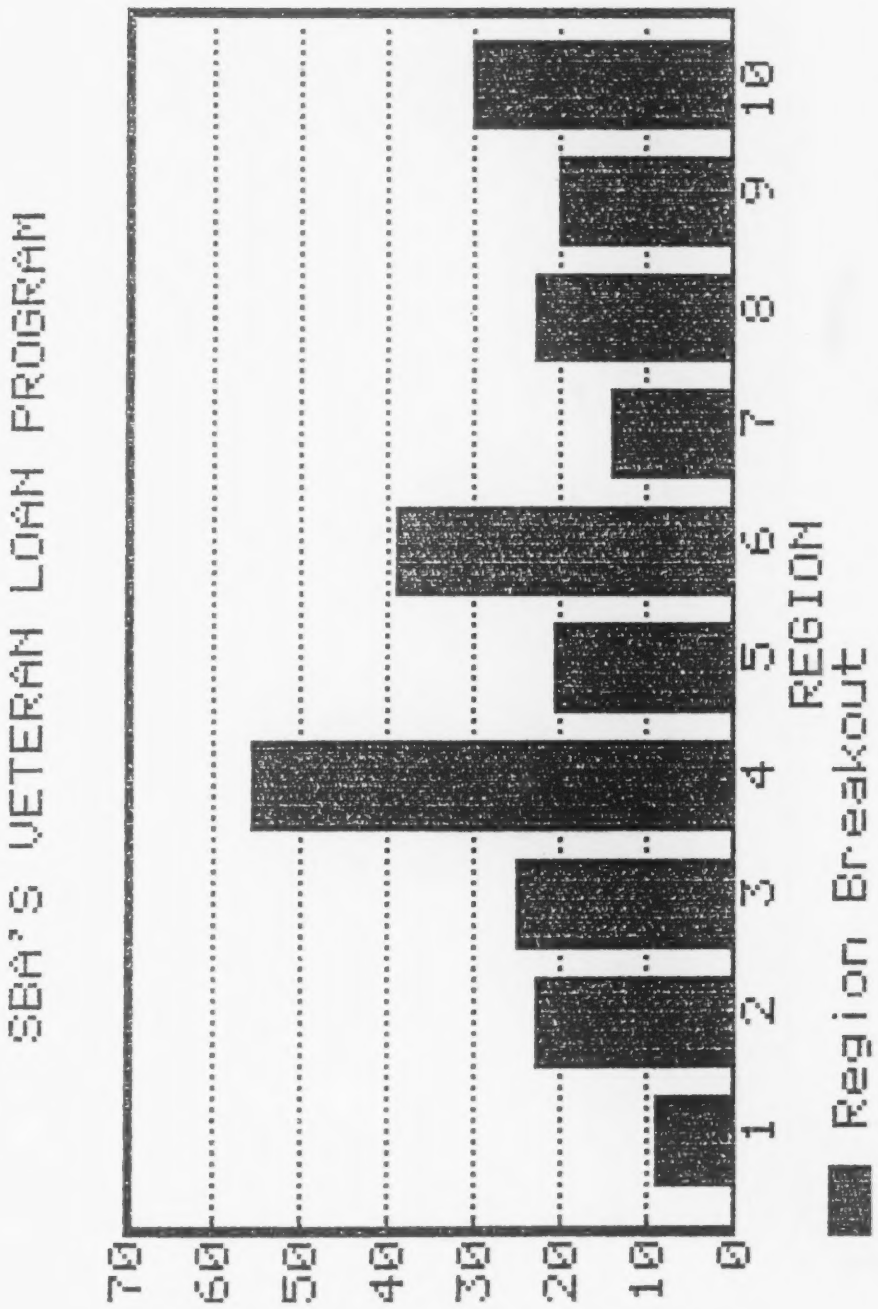
OVA has purchased 10 laser disk, interactive training stations - one per region. These stations will assist veterans in developing a comprehensive business plan. Each RVAO, under OVA guidelines, will be responsible for fully utilizing his station and reporting on its status. OVA will issue complete guidelines on utilizing and monitoring the stations.

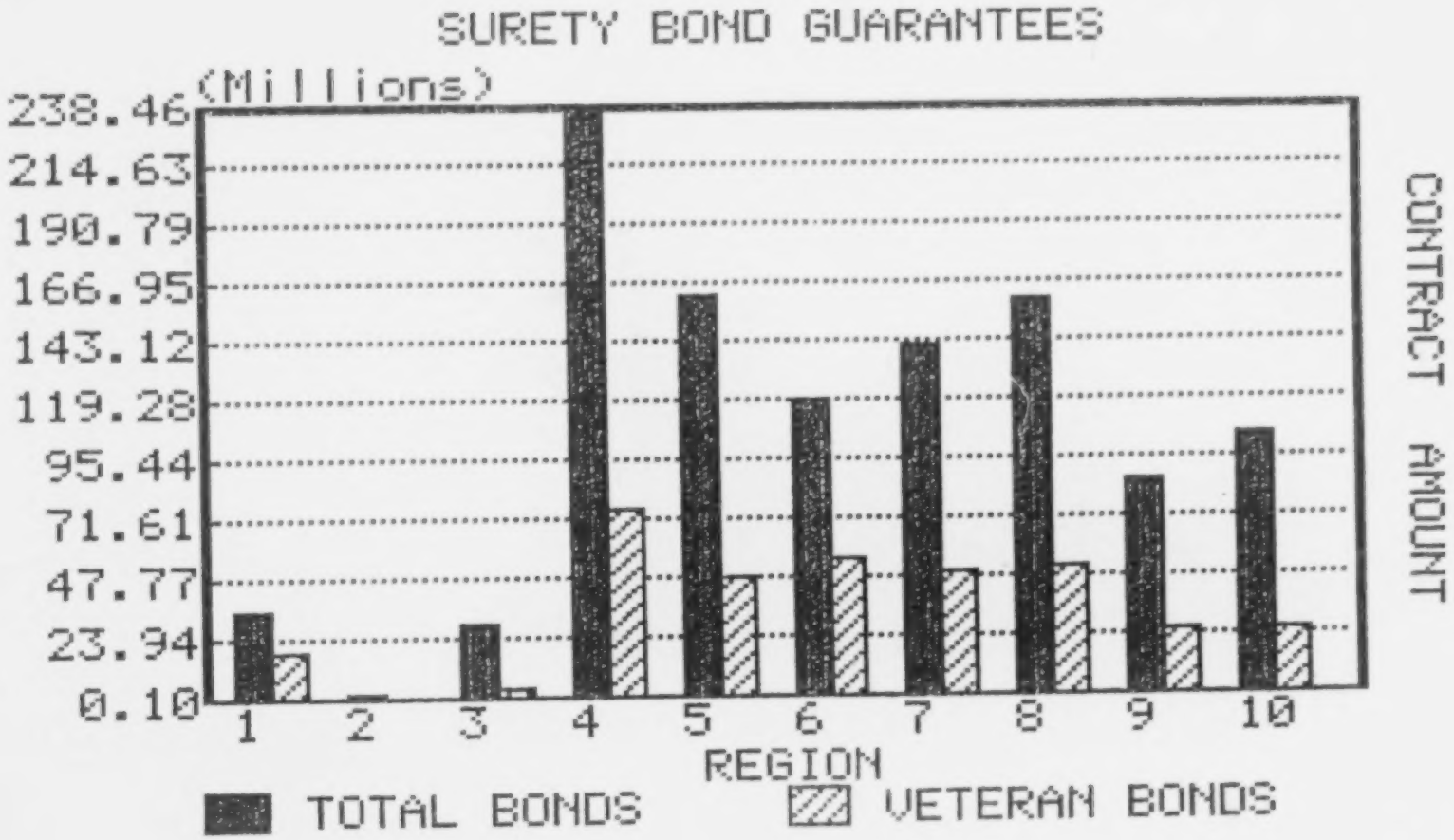
ADDITIONAL TECHNICAL TABLES

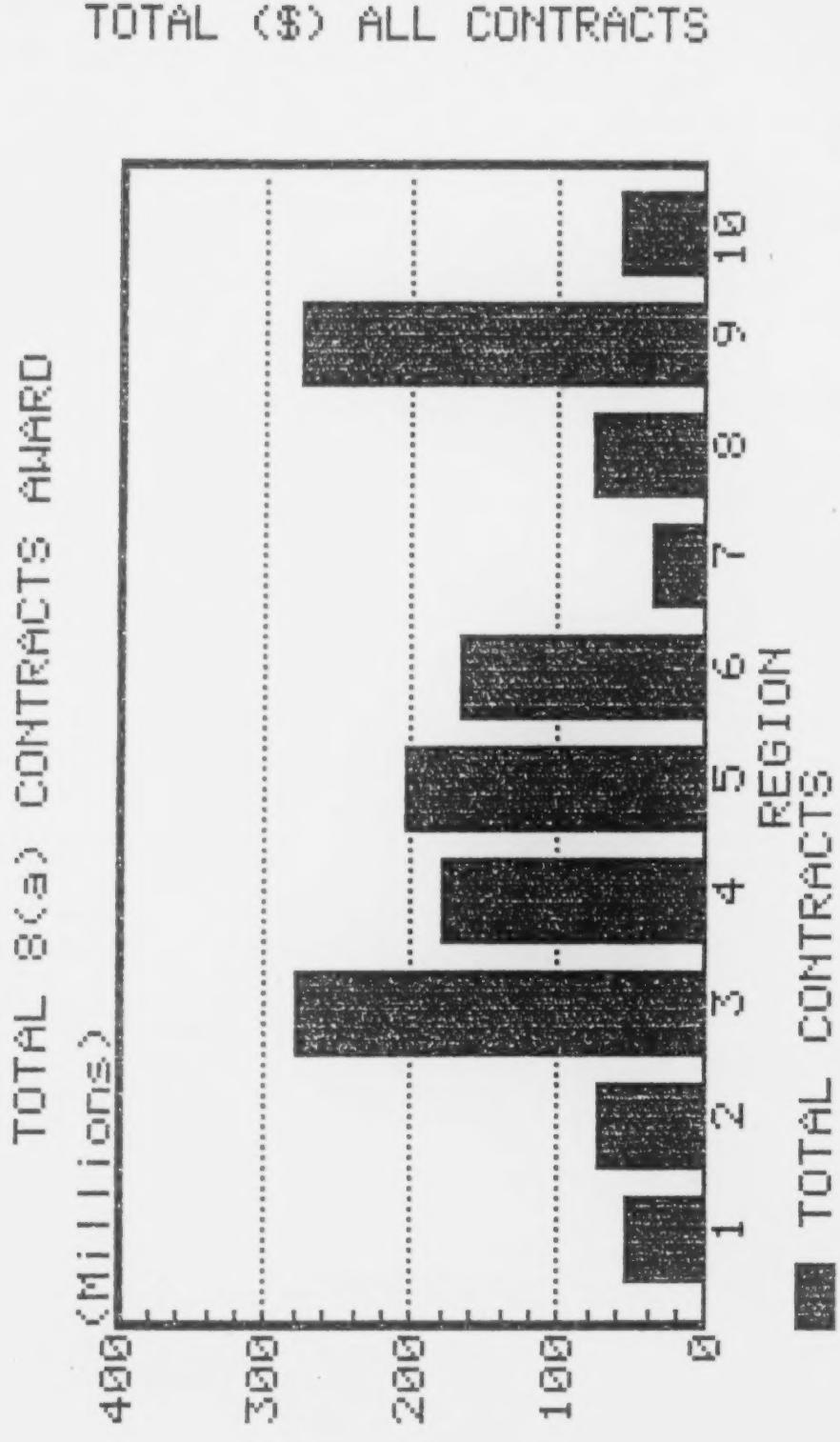
DIRECT LOANS (IN DOLLARS)



VETERANS ASSISTED (NUMBER)




SURETY BOND GUARANTEES
(Millions)
238.46
214.63
190.79
166.95
143.12
119.28
95.44
71.61
47.77
23.94
0.10
1
2
3
4
5
6
7
8
9
10
REGION
TOTAL BONDS
VETERAN BONDS
CONTRACT AMOUNT


TOTAL ($) ALL CONTRACTS
TOTAL 8(a) CONTRACTS AWARD
(Millions)
400
300
200
100
0
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2
3
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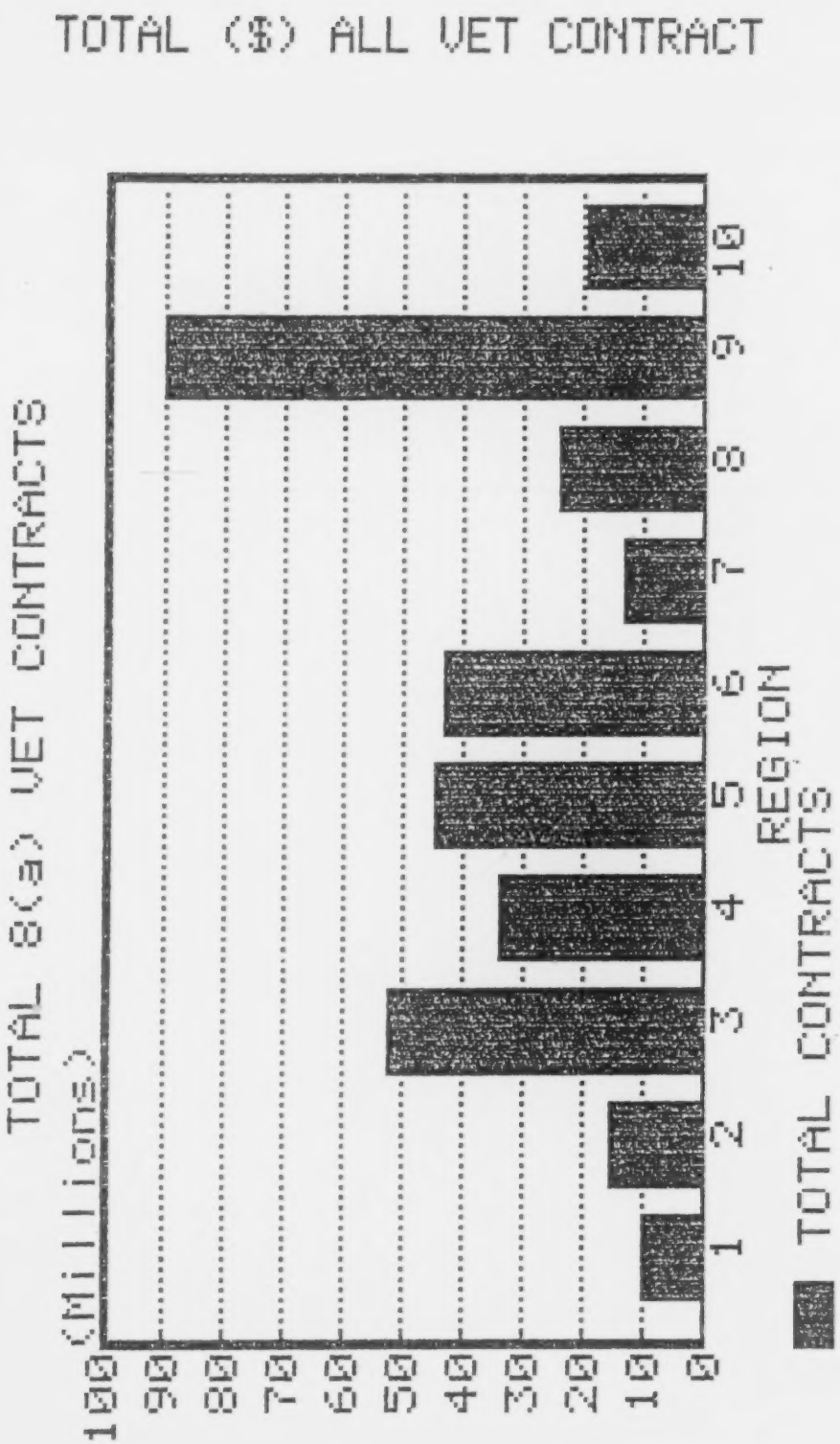
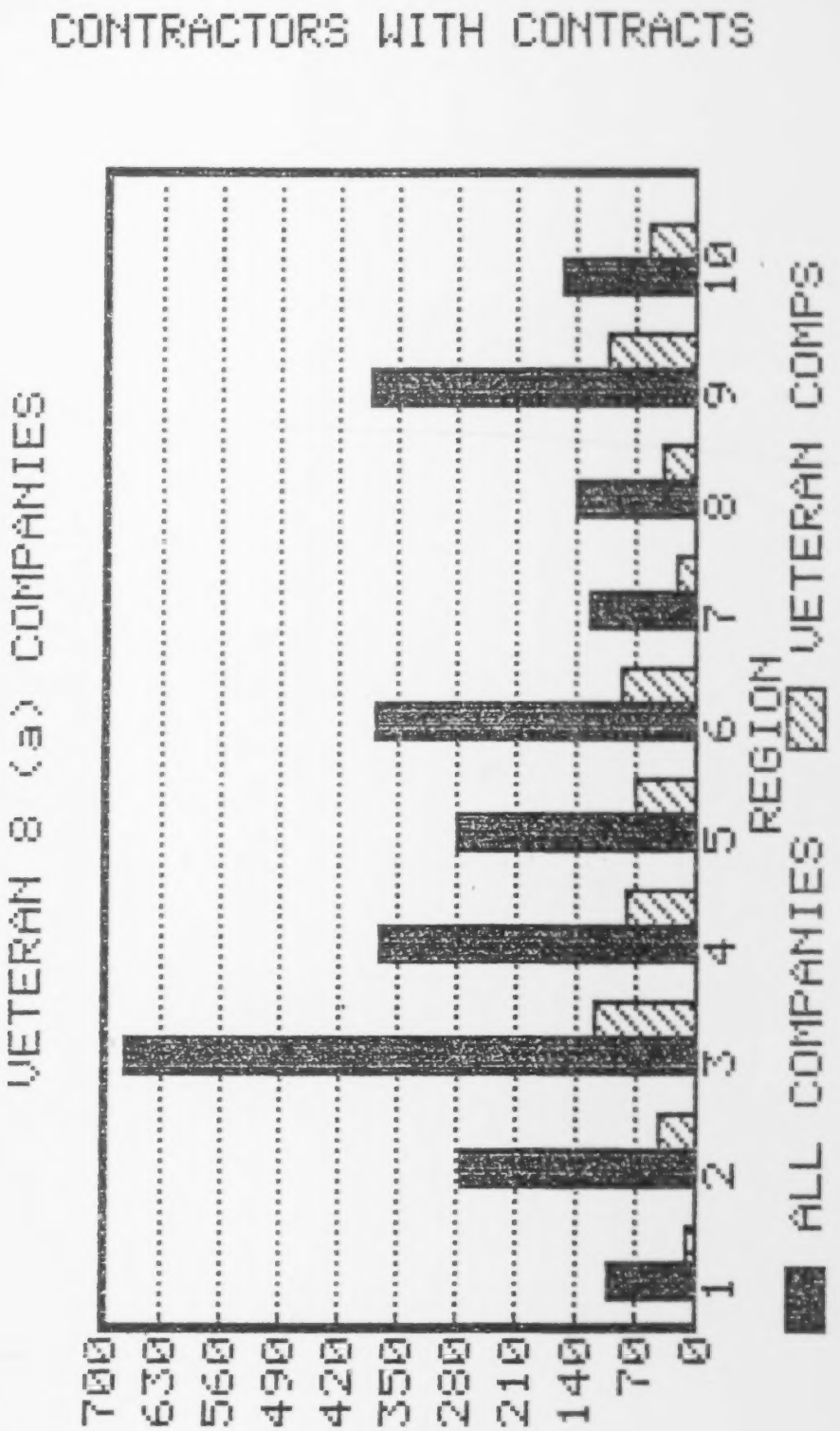
10
REGION
TOTAL CONTRACTS


TOTAL ($) ALL VET CONTRACT
TOTAL 8(a) VET CONTRACTS
(Millions)
100
90
80
70
60
50
40
30
20
10
0
1
2
3
4
5
6
7
8
9
10
REGION
TOTAL CONTRACTS


CONTRACTORS WITH CONTRACTS
VETERAN 8 (a) COMPANIES
700
630
560
490
420
350
280
210
140
70
0
1
2
3
4
5
6
7
8
9
10
REGION
ALL COMPANIES
VETERAN COMPS

Vietnam Veterans
LEADERSHIP PROGRAM

West St. Louis Community Center
724 N. Union Boulevard
2nd Floor
St. Louis, Missouri 63108
(314) 367-5505

May 31, 1988

Honorable Ike Skelton
House of representatives
Small Business Sub Committee
Room B. 363
Rayburn Building
Washington D.C. 20515

Dear Congressman Skelton:

On May 4th of this year, I presented testimony before your Sub Committee on Procurement, Innovation, and Minority Enterprise Development. During the hearing, additional information was requested, for the record. Those materials are enclosed.

I would now like to address two other points. Mr. Ellis, of the Small Business Administration, brought up our I.R.S. difficulties. This problem occurred because a former employee of the V.V.L.P. failed to make timely Federal payroll tax deposits. Upon meeting with the I.R.S. about this. An Installment Agreement was reached between the I.R.S. and the V.V.L.P., for resolution of the problem. The occurrence and resolution of this issue had nothing whatsoever to do with our administration of our S.B.A. Contract, and our Sub Contract with the Community College.

On another point. Since my Testimony, I have met with the Regional S.B.A. V.A.O. and the former local S.B.A. V.A.O.. During this meeting they assured me that the reasons for the local V.A.O.s resignation from his V.A.O position was about much more than any disagreements regarding the Veterans Entrepreneur Training program.

In closing, thank you this opportunity to set the record straight. Should you need anything further, please let me know.

Sincerely,

William D. Elmore
Executive Director

Vietnam Veterans
LEADERSHIP PROGRAM

Federal Building
Room 1213
405 S. Tucker Blvd.
St. Louis, MO 63102
(314) 436-2420

September 9, 1986

Mr. James K. Lahr, Dean
Instiute for Continuing Education
St. Louis Community College
P.O. Box 1500
Ballwin, MO 63022-1500

Dear Dean Lahr,

This letter is a confirmation of our commitment to serve as the grant recipient for the proposed Missouri Veterans Entrepreneurial Development Program. As we discussed upon receipt of formal notice from the National SBA Office, we will subcontract with the St. Louis Community College for training program administration, curriculum development program advising, program advertising and promation, supplies and instructional materials.

The VVLP will provide overall program administration, program oversite and in-kind allocations of approximately $3,200 including promotional assistance, mailing lists and advertising/ outreach in local and state Veterans Newspapers.

We look forward to the opportunity to work with your staff for the successful implementations of this exciting and inovative program.

Sincerely,

William D. Elmore
Executive Director

WDE/sg

Vietnam Veterans
LEADERSHIP PROGRAM

Federal Building
Room 1213
405 S. Tucker Blvd.
St. Louis, MO 63102
(314) 436-2420

October 1, 1986

Ms. Kay F. Snyder
Administrative Assistant
St. Louis Community College
5801 Wilson Ave.
St. Louis, MO 63110

Dear Ms. Snyder:

Following discussion with Dean Lahr it is understood that the cost (fee) for participants will be born by the individual participants in consort with funds provided through the "Missouri Veterans Entrepreneurial Development Program" as administrated by the V.V.L.P. and subcontracted to the St. Louis Community College.

Should you, or the Board of Trustees have any questions regarding this, please let me know.

Sincerely,

William D. Elmore
Executive Director

St. Louis Community College

Administrative Center 5801 Wilson Avenue
St. Louis, Missouri 63110
Telephone 314/644-9550

September 17, 1986

Mr. William D. Elmore
Executive Director
Vietnam Veterans Leadership Program
Federal Building - Room 1213
405 South Tucker Boulevard
St. Louis, Missouri 63102

Dear Mr. Elmore:

This letter will serve as an agreement between the St. Louis Community College and the Vietnam Veterans Leadership Program. The purpose of this agreement is to permit Vietnam veterans who are participants in the Vietnam Veterans Leadership Program to enroll in programs and courses conducted by the St. Louis Community College at the in-district rate per credit hour. This agreement is with the understanding that the Vietnam Veterans Leadership Program will pay the entire fee at the time of registration for all Vietnam veteran participants authorized by said Vietnam Veterans Leadership Program who are enrolled in courses conducted by the St. Louis Community College.

This agreement will continue unless intention to terminate is indicated by either party by thirty (30) days' advance notice in writing.

If the Vietnam Veterans Leadership Program agrees to the terms of this letter agreement, please have the original and two copies signed and return them to my attention, as follows:

Ms. Kay F. Snyder
Administrative Assistant
St. Louis Community College
5801 Wilson Avenue
St. Louis, Missouri 63110

The agreement is subject to approval by the St. Louis Community College's Board of Trustees. Upon approval by our Board, a fully executed copy of this letter agreement will be forwarded to you for your records.

St. Louis Community College is an equal opportunity and affirmative action employer

If this agreement can be returned to my office by September 29, we will be able to present it to our Board of Trustees for approval on October 13, 1986. If there are any questions, please do not hesitate to contact me.

Sincerely yours,

Kay F. Snyder

Kay F. Snyder
Administrative Assistant

/ks

cc: Mr. James Lahr
Ms. Huldah Rode
Ms. Jean Belt
Ms. Karen Brown
Mr. Milt Woody
Mr. Mike Buckley
Mr. Lloyd Gray
Mr. R. S. Walker
Mr. Marvin Laurent
Ms. Carole Krull

ST. LOUIS COMMUNITY COLLEGE

By: John C. Robertson
John C. Robertson

Vice Chancellor for Administration
Title

11/10/86
Date

VIETNAM VETERANS
LEADERSHIP PROGRAM

By: Wm. S. Timmons

EXECUTIVE DIRECTOR
Title

October 1, 1986
Date

U.S. SMALL BUSINESS ADMINISTRATION
WASHINGTON, D.C. 20416

OCT 24 1986

Mr. William D. Elmore
Executive Director
Vietnam Veterans Leadership Program
Federal Building, Room: 1213
405 S. Tucker Boulevard
St. Louis, Missouri 63102

Reference: SB-2VA-00130-0

Dear Mr. Elmore:

Enclosed is an officially signed Grant No. SB-2VA-00130-0 funding the Veterans Entrepreneurial Development in Missouri for 1986-87. The Federal share is $80,000 with $28,200 of non-Federal match for a total budget of $108,200.

Three copies of the award documents are enclosed for your review. If you agree with the provisions, sign all three award notices (Page 2). You are to retain one copy and return two copies to this office at the following address:

U. S. Small Business Administration
Office of Procurement and Grants Management
1441 L Street, N.W., Room 219
Washington, D.C. 20416

The SBA project officer assigned to monitor the technical aspects of this award is Mr. Gregory Diercks, Assistant Director, Office of Veterans Affairs, SBA, 1441 L Street, N.W., Room 414, Washington, D.C. 20416. I will serve as Grants Management Specialist and will be responsible for the financial aspects of the grant. I can be reached at (202) 653-7744.

Financial reporting forms required by the Standard Provisions of this award are enclosed for your use. Also included are the OMB Circulars that provide the guidelines on which this grant will be administered. The cost principles are of specific importance to grant recipients as they are used to determine the allowability of costs. Please study them carefully.

Payments under this award will be by reimbursements. Such reimbursements are contingent on your fulfilling the performance requirements of the agreement and completing the enclosed Standard Form 269, Financial Status Report; Standard Form 270, Request for Advance or Reimbursement; and Standard Form 272, Federal Cash Transaction Report. These forms must be submitted to the Project Officer in accordance with the requirements in Attachment G of OMB Circular A-110.

Should you have any questions pertaining to this award please feel free to contact me. I will be happy to assist you in making this project successful.

Sincerely,

Doris Copeland

Doris Copeland
Grants Management Specialist

Enclosures

SBA U.S. Small Business Administration

NOTICE OF AWARD

1. AUTHORIZATION (Legislation/Regulation)
Sec 8 (b) 1 (B) of the SBA ACT as Amended
15 USC 631 et.al.

2. Grant No: SB-2VA-00130-0
Cooperative Agreement No:
Formerly: NEW AWARD

3. RECIPIENT: (Name, Orgnl Unit, Address)
Viet Nam Veterans Leadership Program
Federal Bldg. Rm 1213
405 So. Tucher Blvd.
St. Louis, MO 63102

4. SUPERSEDES AWARD NOTICE dated N2A
except that any additions or restrictions previously imposed remain in effect unless specifically rescinded.

5. PROJECT PERIOD Mo./Day/Yr.
From 09-30-86 Through 09-29-87

6. BUDGET PERIOD Mo./Day/Yr.
From 09-30-86 Through 09-29-87

7. TITLE OF PROJECT (OR PROGRAM) (Limit to 53 spaces)
Veterans Entrepreneurial Development

8. FEDERAL CATALOG NO.

9. ADMINISTRATIVE CODES

10. DIRECTOR OF PROJECT (PROGRAM OR CENTER DIRECTOR, COORDINATOR OR PRINCIPAL INVESTIGATOR)
NAME Elmore. Wm. D. (314) 436-2420
Last First Initial
ADDRESS: REFER #3 ABOVE

11. AWARD COMPUTATION

a. Amount of SBA Financial Assistance (from 12.0)	$ 80,000
b. Less Unobligated Balance From Prior Budget Periods	$ -0-
c. Less Cumulative Prior Award (s) This Budget Period	$ -0-
d. AMOUNT OF THIS ACTION	$ 80,000

12. APPROVED BUDGET (Excludes SBA Direct Assistance)

☐ SBA Funds Only ☒ Total project costs including all other financial participation

a. Personal Service	$ 38,000
b. Fringe Benefits	-0-
c. Consultants	7,500
d. Travel	1,000
e. Equipment	-0-
f. Supplies	1,500
g. Contractual	-0-
h. Construction (A & R)	-0-
i. XXXXXXXXX TUITION	26,500
j. Other	33,700
k. TOTAL DIRECT COSTS	$ 108,200
l. Indirect Costs N/A (Rate % of S & W/TADC)	$ -0-
m. OTHER APPL. COSTS:	$ -0-
n. TOTAL APPROVED BUDGET	$ 108,200
o. Federal Share:	$ 80,000
p. Non-Federal Share*	$ 28,200

* Must meet all matching or cost participation requirements, subject to adjustment in accordance with SBA policy.

13. RECOMMENDED FUTURE SUPPORT (SUBJECT TO THE AVAILABILITY OF FUNDS AND SATISFACTORY PROGRESS OF THE PROJECT).

BUDGET YEAR	TOTAL DIRECT COSTS	BUDGET YEAR	TOTAL DIRECT COSTS
a.	N/A	c.	
b.		d.	

14. APPROVED DIRECT ASSISTANCE BUDGET (IN LIEU OF CASH)

a. Personal Services	$
b. Travel	
c. Other	
d. TOTAL DIRECT ASSISTANCE	$ N/A

15. REMARKS (Other Terms & Conditions Attached - ☒ Yes ☐ No)
Pre-Agreement costs to September 30, 1986 are authorized

16. THIS AWARD IS SUBJECT TO THE TERMS AND CONDITIONS INCORPORATED EITHER DIRECTLY OR BY REFERENCE IN THE FOLLOWING:
a. The program legislation cited above
b. The program regulation cited above
c. This award notice including terms and conditions, if any, noted under Remarks.
d. SBA Federal Assistance Regulations or Manual Issuances in effect as of the beginning date of the budget period.
e. SBA Policy Guidelines in effect as of the beginning date of the budget period.
f. SBA Administrative Regulations/Guidelines in effect as of the beginning date of the budget period.

In the event there are conflicting or otherwise inconsistent policies applicable to this award, the above order of precedence shall prevail. Acceptance of ALL terms and conditions is acknowledged by the Recipient when funds are drawn or otherwise obtained from the Federal payment system.

17. SBA LIST NO. 01 | OBJ. CLASS. | 18. CRS - EIN 43-1257306 | 19. ORGN DESCRIPTOR:

FY-CN	DOCUMENT NO.	SECONDARY ADM. CODE	AMT. ACTION FIN. ASST.	AMT. ACTION DIR. ASST.
20 a. 6690.96.66900.4110	b. SB2VA-00130-0	c.	d. $80,000	e.
21 a.	b.	c.	d.	e.

22. AGENCY OFFICIAL (Signature, Name and Title)
John H. Grim, Agreement Officer

23. DATE ISSUED Mo./Day/Yr.
OCT -9 1986

SBA Form 1222 (6-80)

PRINTED AT GOVERNMENT EXPENSE

1. This Notice of Award is issued pursuant to your approved application dated September 09, 1986.

2. Acceptance of Award

William O. Elmore
Signature of Authorized Official

NAME:

TITLE:

DATE:

PRINTED AT GOVERNMENT EXPENSE

STANDARD PROVISIONS

1. SCOPE OF PROJECT AND DELINEATION OF SBA INVOLVEMENT

This Grant is awarded to carry out the activities set forth in Federal Assistance Application and proposal dated September 09, 1986, copies of which are considered part of this Agreement by reference.

This Grant, between the Small Business Administration (SBA) and the recipient organization, is awarded as federal assistance to provide intensive self-help programs for armed services Vietnam veterans in the St. Louis area in the following manner:

Such training will be conducted at The St. Louis Community College Institute for Continuing Education. The Institute will provide instructors and materials for the required and elective courses. The Institute will schedule classes at convenient locations in the St. Louis area, register students, and keep attendance records.

The Vietnam Veterans Leadership Program (VVLP) will serve as the award recipient and will provide program review and administrative oversight while coordinating outreach activities to veterans and receiving referrals to the program. They will provide mailing lists of veterans, publicity in veterans publications concerning the program, and volunteers for the counseling/advisory team. Staff time and some computer support for program records will also be contributed by the VVLP.

The Small Business Administration, through the local SCORE (Service Corps of Retired Executives) chapter, will assist with the counseling/advisory team functions and provide one-on-one counseling as needed to Veterans in the program.

2. ANTICIPATED OUTCOME:

By identifying veterans management skills deficiencies, formalizing the results of needs assessment with individual management skills profiles, and providing training to meet these needs, it is anticipated that veterans will acquire:

1) An enhanced ability to develop and update, on a regular basis, realistic business plans which would serve as "road maps" for their businesses.

2)Expertise in managing funds obtained from lenders, investors and operations to meet cash demands of their businesses.

3) The ability to use financial statements as management tools.

4) General management skills in all the business functional areas required to be successful business owners and managers.

5) An improved prospect for survival, growth, and development of their businesses.

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3. FISCAL ADMINISTRATION

a. Payment Data

Quarterly invoices shall be submitted through the SBA project officer for verification and approval. Upon verification and approval of costs claimed the SBA project Officer shall then forward the invoice to:

Small Business Administration
Grants Management Office - Room 221
1441 L ST. N.W.
Washington, D.C. 20416

4. REPORTING REQUIREMENTS

a. Recordkeeping and Reporting:

The recipient agrees to maintain complete and accurate records and supporting documentation to support and facilitate any thorough financial and/or program audit. Further, the recipient shall be prepared to furnish such records for audit review.

b. Performance Reports:

Quarterly performance reports shall be furnished to the SBA project officer within thirty (30) days after the end of each quarter. A final performance report shall also be furnished to the SBA Project Officer within ninety (90) days after the end of the performance period. Report will be furnished in original and three (3) copies.

5. DISPUTES

a. Except as otherwise provided by law or regulations, any dispute arising under this agreement shall be decided by the Grants Management Officer (GMO), who shall reduce his decision to writing and mail or otherwise furnish a copy thereof to the recipient. This decision will be made in consultation with SBA field and central office personnel. Such a decision of the GMO shall be final and conclusive unless, within thirty (30) days from the date of receipt of such copy, the recipient otherwise delivers a written appeal.

b. Such appeal shall be addressed to the Chairman of the SBA Grants and Cooperative Agreement Appeals Committee. A copy shall be furnished to the GMO. The decision of the Committee of such appeal shall be final and conclusive unless determined by a court of competent jurisdiction to have been fraudulent or capricious, arbitrary, so grossly erroneous as to imply bad faith, or not supported by substantial evidence.

c. In connection with an appeal proceeding under this article, the federal assistance recipient shall be afforded an opportunity to be heard, to be present, to offer evidence and testimony in support of any appeal, to cross-examine Government witnesses and to examine documentation or exhibits offered in evidence by the Government or admitted to the appeal record (subject to the Government's right to offer its own evidence and testimony, to cross-examine the appellant's witnesses, and to examine documentation or exhibits offered in evidence by the appellant or admitted to the appeal record). The appeal shall be determined solely upon the appeal record.

d. This Disputes article shall not preclude consideration of any question of law in connection with decisions provided for by this article; provided, that nothing in this award document or related regulations shall be considered as making final the decision of any administrative official, representative, or Board, on a question of law.

6. CLAUSE ENTITLED "PATENT RIGHTS FEBRUARY 1982" REQUIRED

OMB Circular A-124, February 10, 1982, is incorporated into the Provisions of this award.

7. ADMINISTRATIVE REQUIREMENTS AND COST PRINCIPLES

The following OMB Circulars regarding Administrative Regulations and Cost Principles are applicable to this agreement as appropriate and are incorporated by reference.

ENTITY	ADMINISTRATIVE	COST PRINCIPLES
Universities	A-110	A-21
States & Local Governments	A-102 & A-128	A-87
Other Non-Profit Org.	A-110	A-122 & Supp. 4/27/84
For Profit Org.	A-110	FAR SEC. 31.0

8. DISPOSITION OF PROGRAM INCOME

All program income as defined in Attachment D, OMB Circular A-110, shall be reported on financial report (SF 269) submitted to SBA and is to be added to funds committed to the project by the Federal sponsoring agency and recipient organization and used to further eligible program objectives only. All revenues received from clients served by the Small Business Development Centers under the auspices of this award are considered to be program income. Program income cannot be used to satisfy match requirements.

9. GRANTOR AGENCY PROJECT OFFICER

An SBA Project Officer will be assigned to monitor the technical aspects of this award and will serve as liaison with SBA. Written notification of this appointment will be furnished to the recipient.

FURNISH AT GOVERNMENT EXPENSE

10. CONTRACTOR/SUBGRANTEE REPORTS

Copies of all reports required to be furnished by contractors or subgrantees, acquired through the use of federal assistance funds, shall be furnished to the Grants Management Office. Individual private consultant reports will be made available if requested by SBA.

11. PUBLICATION REQUIREMENTS

Any publication resulting from this project whether copyrighted or not, must include an acknowledgement of support by the Small Business Administration, indicating the appropriate agreement number SB-2VA-00130-0.

Except for scientific articles and papers appearing in scientific journals, materials must also contain the following disclaimer:

> "Any opinions, findings and conclusions or recommendations expressed in this publication are those of the author(s) and do not necessarily reflect the views of the U.S. Small Business Administration."

Recipients are reminded that it is their responsibility, in addition to complying with these and the provisions of paragraph 8b, attachment N of OMB Circular A-110, to take all necessary and prudent steps required to protect the Government's license when conveying rights to publishers.

12. ADVANCE UNDERSTANDINGS

a. Recipient understands that this award is only for the completion of this project as stated above. Any changes to this award must be approved in advance by the Grants Management Officer, in writing.

b. The recipient agrees to furnish the Grants Management Officer copies of indirect cost proposals, agreements negotiated with other federal agencies, and copies of current financial statements upon request.

LIST OF ATTACHMENTS:

1. Budget
DOC #0453G

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PROJECT BUDGET
MISSOURI VETERANS' ENTREPRENEURIAL DEVELOPMENT PROGRAM
October 1, 1986 - September 30, 1987

ITEMS	FEDERAL FUNDS REQUESTED	TUITION INCOME FROM VETERANS	ST. LOUIS COMMUNITY COLLEGE IN-KIND MATCH	VVLP IN-KIND MATCH	SBA IN-KIND MATCH	TOTALS
SALARIES AND BENEFITS						
Project Director	-	-	$ 2,000	-	-	$ 2,000
Project Associate	$ 9,500	-	-	-	-	9,500
Clerical Staff	17,000	-	-	-	-	17,000
Advising Team Coordination	9,500	-	-	-	-	9,500
CURRICULUM DEVELOPMENT	1,000	-	500	-	-	1,500
TUITION	12,500	$14,000	-	-	-	26,500
RENT - Classroom Space	7,000	-	5,000	-	-	12,000
SUPPLIES	1,000	-	500	-	-	1,500
TRAVEL	1,000	-	-	-	-	1,000
SERVICES FOR ADVISING TEAM	2,000	-	-	-	-	2,000
PROGRAM PROMOTION, PRINTING AND ADVERTISING	7,000	-	-	$3,200	-	10,200
CONSULTING AND FISCAL SERVICES	7,500	-	-	-	-	7,500
INSTRUCTIONAL MATERIALS	5,000	-	-	-	-	5,000
POSTAGE	-	-	-	-	$1,000	1,000
COMPUTERIZED REGISTRATION AND TRANSCRIPTING	-	-	500	-	-	500
TELEPHONE	-	-	1,500	-	-	1,500
TOTALS	$80,000	$14,000	$10,000	$3,200*	$1,000**	$108,200

*VVLP will provide $3,200 in-kind services for mailing lists and advertisements in the Veterans' newspaper.
**SBA will provide use of its frank for mailings.

Vietnam Veterans
LEADERSHIP PROGRAM

Federal Building
Room 1213
405 S. Tucker Blvd.
St. Louis, MO 63102
(314) 436-2420

October 31, 1986

U. S. Small Business Administration
Office of Procurement and Grants Management
1441 L Street, N.W., Room 219
Washington, D.C. 20416

Dear Sirs:

We received only two copies of the award documents. As per a conversation with Doris Copeland, we have enclosed one signed original, one signed copy of page 2, and retained one complete orginal for our files.

Should you have any questions, please let us know.

Sincerely,

William D. Elmore
Executive Director

WDE/sg

enclosures

Vietnam Veterans
LEADERSHIP PROGRAM

Federal Building
Room 1213
405 S. Tucker Blvd.
St. Louis, MO 63102
(314) 436-2420

November 3, 1986

Dr. Gwendolyn W. Stephenson
Vice Chancellor for Planning and
Academic Affairs
St. Louis Community College
5801 Wilson Avenue
St. Louis, MO 63110

Dear Dr. Stephenson,

Enlcosed is an officially signed sub-contract for delivery of services under S.B.A. Grant No: SB-2VA-00130-0 funding the Veterans Entrepreneurial Development in Missouri for 1986-87. The Community Colleges share is $72,500 with $25,000 of non Federal Match for a total budget of $97,500.

Three copies of this sub-contract are enclosed for your review. If you agree with the provisions, sign all three signature pages. You are to retain one copy and return two copies to our office at the following address.

The Vietnam Veterans Leadership Program
405 S. Tucker Blvd., Room 1213
St. Louis, MO 63102

I will monitor the technical aspects of this (sub) contract and program, and my Administrative Assistant Ms. Sharon Gross will be responsible for the financial aspects of this (sub) contract, she can be reached at this same address and phone number.

Financial reporting forms required by the standard provisions of this (sub) contract are enclosed for your use.

Also included are the OMB Circulars that provide the guidelines on which this (sub) contract will be administered. The cost principals are of specific importance, as they are used to determine the allowability of costs.

Payments under this (sub) contract will be by reimbursement (advance payments will be contingent upon the SBAs willingness to provide us with an advance). Such reimbursements will be contingent on your fulfilling the performance requirements of the agreement and completing the enclosed standard forms 269, 270 and 272 these forms must be submitted to me in accordance with the requirements in Attachment G of OMB Circulor A-110.

November 3, 1986

Should you have any questions pertaining to this award please contact me. I look forward to the successful implementation of this program.

Sincerely,

William D. Elmore
Executive Director

WDE/sg

U.S. SMALL BUSINESS ADMINISTRATION
WASHINGTON, D.C. 20416

DEC 19 198[illegible]

Mr. William D. Elmore
Executive Director
Vietnam Veterans Leadership Program
Federal Building, Room: 1213
405 S. Tucker Boulevard
St. Louis, Missouri 63102

Reference: SB-2VA-00130-0

Dear Mr. Elmore:

In response to our telephone conversation on December 18, 1986, enclosed are two (2) copies of subject grant.

These copies are duplicates of the copy you have on file. Therefore, please sign page 2, and return both copies to my attention, U.S. Small Business Administration, 1441 L Street, N.W., Room 219, Washington, D.C. 20416.

Upon receipt of the signed copies, I will proceed to make the other adjustments. Should you have any questions you can contact me at (202) 653-7744.

Sincerely,

Doris Copeland

Doris Copeland
Grants Management Specialist

Enclosure

St. Louis Community College

Administrative Center
5801 Wilson Avenue
St. Louis, Missouri 63110
Telephone 314/644-9550

January 14, 1987

Mr. William D. Elmore
Executive Director
Vietnam Veterans
Leadership Program
405 S. Tucker Blvd.
Room 1213
St. Louis, MO 63102

Dear Mr. Elmore:

Enclosed are two copies of the sub-contract for the St. Louis Vietnam Veterans Leadership Program covering the period September 30, 1986 through September 29, 1987.

Please return one fully signed copy to us for our files.

Sincerely,

Gwendolyn W. Stephenson

Gwendolyn W. Stephenson
Vice Chancellor
Educational Development

GWS/ff

Enclosure

cc: James Lahr
Castella Henderson

St. Louis Vietnam Veterans Leadership Program
Sub-Contract for Services

DATE: 12/19/86

Primary Contractor: St. Louis V.V.L.P.
405 S. Tucker Blvd.
Room 1213
St. Louis, MO 63102

Executive Director: William D. Elmore

Sub-Contract Periods: Sept. 30, 1986 thru Sept. 29, 1987

Sub-Contracting Institution: St. Louis Community College
Institute of Continuing Education
P.O. Box 1500
Ballwin, MO 63011

Sub-Contract Amount: $72,500

Total Amount (including in kind non-federal match) $97,500

Sub-Contracting Institution Officer: (name,title and signature)

Michael E. Crawford, Chancellor

Primary Contractor:

William D. Elmore, Executive Director

SBA U.S. Small Business Administration

NOTICE OF AWARD

1. AUTHORIZATION (Legislation/Regulation)
Sec 8 (b) 1 (B) of the SBA ACT as Amended
15 USC 631 et.al.

2. Grant No: SB-2VA-00130-0
Cooperative Agreement No:
Formerly: NEW AWARD

3. RECIPIENT: (Name, Orgnl Unit, Address)
Viet Nam Veterans Leadership Program
Federal Bldg. Rm 1213
405 So. Tucher Blvd.
St. Louis, MO 63102

4. SUPERSEDES AWARD NOTICE dated N2A
except that any additions or restrictions previously imposed remain in effect unless specifically rescinded.

5. PROJECT PERIOD Mo./Day/Yr.
From 09-30-86 Through 09-29-87

6. BUDGET PERIOD Mo./Day/Yr.
From 09-30-86 Through 09-29-87

7. TITLE OF PROJECT (OR PROGRAM) (Limit to 62 spaces)
Veterans Entrepreneurial Development

8. FEDERAL CATALOG NO.

9. ADMINISTRATIVE CODES

10. DIRECTOR OF PROJECT (PROGRAM OR CENTER DIRECTOR, COORDINATOR OR PRINCIPAL INVESTIGATOR)
NAME Elmore. Wm. D. (314) 436-2420
Last First Initial
ADDRESS: REFER #3 ABOVE

11. AWARD COMPUTATION

a. Amount of SBA Financial Assistance (from 12.0)	$ 80,000
b. Less Unobligated Balance From Prior Budget Periods	$ -0-
c. Less Cumulative Prior Award (s) This Budget Period	$ -0-
d. AMOUNT OF THIS ACTION	$ 80,000

12. APPROVED BUDGET (Excludes SBA Direct Assistance)

☐ SBA Funds Only ☒ Total project costs including all other financial participation.

a. Personal Service	$ 38,000
b. Fringe Benefits	-0-
c. Consultants	7,500
d. Travel	1,000
e. Equipment	-0-
f. Supplies	1,500
g. Contractual	-0-
h. Construction (A & R)	-0-
i. ~~XXXXX~~ TUITION	26,500
j. Other	33,700
k. TOTAL DIRECT COSTS	$ 108,200
l. Indirect Costs N/A (Rate % of S & W/TADC)	$ -0-
m. OTHER APPL. COSTS:	$ -0-
n. TOTAL APPROVED BUDGET	$ 108,200
o. Federal Share:	$ 80,000
p. Non-Federal Share*	$ 28,200

* Must meet all matching or cost participation requirements, subject to adjustment in accordance with SBA policy.

13. RECOMMENDED FUTURE SUPPORT (SUBJECT TO THE AVAILABILITY OF FUNDS AND SATISFACTORY PROGRESS OF THE PROJECT).

BUDGET YEAR	TOTAL DIRECT COSTS	BUDGET YEAR	TOTAL DIRECT COSTS
a.	N/A	c.	
b.		d.	

14. APPROVED DIRECT ASSISTANCE BUDGET (IN LIEU OF CASH)

a. Personal Services	$
b. Travel	
c. Other	
d. TOTAL DIRECT ASSISTANCE	$ N/A

15. REMARKS (Other Terms & Conditions Attached - ☒ Yes ☐ No)
Pre-Agreement costs to September 30, 1986 are authorized

16. THIS AWARD IS SUBJECT TO THE TERMS AND CONDITIONS INCORPORATED EITHER DIRECTLY OR BY REFERENCE IN THE FOLLOWING:
a. The program legislation cited above
b. The program regulation cited above
c. This award notice including terms and conditions, if any, noted under Remarks.
d. SBA Federal Assistance Regulations or Manual Issuances in effect as of the beginning date of the budget period.
e. SBA Policy Guidelines in effect as of the beginning date of the budget period.
f. SBA Administrator's Regulations/Guidelines in effect as of the beginning date of the budget period.

In the event there are conflicting or otherwise inconsistent policies applicable to this award, the above order of precedence shall prevail. Acceptance of ALL terms and conditions is acknowledged by the Recipient when funds are drawn or otherwise obtained from the Federal payment system.

17. SBA LIST NO. 01	OBJ. CLASS.	18. CRS - EIN 43-1257306	19. ORGN DESCRIPTOR:

FY-CH	DOCUMENT NO.	SECONDARY ADM. CODE	AMT. ACTION FIN. ASST.	AMT. ACTION DIR. ASST.
20 a. 6690.96.66900.4110	b. SB2VA-00130-0	c.	d. $80,000	e.
21 a.	b.	c.	d.	e.

22. AGENCY OFFICIAL (Signature, Name and Title)
John H. Grim, Agreement Officer

23. DATE ISSUED Mo./Day/Yr.
OCT -9 1986

SBA Form 1222 (6-80)

PRINTED AT GOVERNMENT EXPENSE

December 19, 1986

Dr. Gwendolyn W. Stephenson
Vice Chancellor for Planning and
Academic Affairs
St. Louis Community College
5801 Wilson Avenue
St. Louis, MO 63110

Dear Dr. Stephenson,

Enclosed is an officially signed sub-contract for delivery of services under S.B.A. Grant No: SB-2V-00130-0 funding the Veterans Entrepreneurial Development in Missouri for 1986-87. The Community Colleges share is $72,500 with $25,000 of non Federal Match for a total budget of $97,500.

Three copies of this sub-contract are enclosed for your review. If you agree with the provisions, sign all three signature pages. You are to retain one copy and return two copies to our office at the following address.

The Vietnam Veterans Leadership Program
405 S. Tucker Blvd., Room 1213
St. Louis, MO 63102

I will monitor the technical aspects of this (sub) contract and program, and my Administrative Assistant Ms. Sharon Gross will be responsible for the financial aspects of this (sub) contract, she can be reached at this same address and phone number.

Financial reporting forms required by the standard provisions of this (sub) contract are enclosed for your use.

Also included are the OMB Circulars that provide the guidelines on which this (sub) contract will be administered. The cost principals are of specific importance, as they are used to determine the allowability of costs.

Payments under this (sub) contract will be by reimbursement, (advance payments will be contingent upon the SBAs willingness to provide us with an advance). Such reimbursements will be contingent on your fulfilling the performance requirements of the agreement and completing the enclosed standard forms 269, 270 and 272 these forms must be submitted to me in accordance with the requirements in Attachment G of OMB Circular A-110.

Date:

Page 2
Dr. Gwendolyn W. Stephenson

Should you have any questions pertaining to this award please contact me. I look forward to the successful implementation of this program.

Sincerely,

William D. Elmore
Executive Director

Purpose: The purpose of this contract is to conduct training in the St. Louis area for present and prosepective Veteran Entrepreneurs.

1. SCOPE OF PROJECT AND DELINEATION OF VVLP INVOLVEMENT

This sub-contract is awarded to carry out the activities set forth in Federal Assistance Application and proposal dated September 09, 1986, copies of which are considered part of this Agreement by reference.

This sub-contract, between the St. Louis Vietnam Veterans Leadership Program (VVLP) and the recipient organization, is awarded as federal assistance to provide intensive self-help programs for armed services veterans in the St. Louis area in the following manner:

Such training will be conducted by The St. Louis Community College Institute for Continuing Education. The Institute will provide instructors and materials for the required and elective courses. The Institute will schedule classes at convenient locations in the St. Louis area, register students, keep attendance records, and account for program payment made by veterans.

The Vietnam Veterans Leadership Program (VVLP) will serve as the SBA award recipient and will provide program direction review and administrative oversight while coordinating outreach activities to veterans and receiving referrals to the program. They will provide mailing lists of veterans, publicity in veterans publications concerning the program, and volunteers for the counseling/advisory teams. Staff time will also be provided by the VVLP.

The Small Business Administration, through the local SCORE (Service Corps of Retired Executives) chapter, will assist with the counseling/advisory team functions and provide one-on-one counseling as needed to Veterans in the program.

The State of Missouri Small Business Development Center(s) will aslo assist with the counseling/advisory team development and functions, provide one on one counseling for veterans in the program and other such assistance as may be necessary and available.

2. ANTICIPATED OUTCOME:

By identifying veterans management skills deficiencies, formalizing the results of needs assessment with individual management skills profiles, and providing training to meet these needs, it is anticipated that veterans will acquire:

1) An enhanced ability to develop and update, on a regular basis, realistic business plans which would serve as "road maps" for their businesses.

2) Expertise in managing funds obtained from lenders, investors and operations to meet cash demands of their businesses.

3) The ability to use financial statements as management tools.

4) General management skills in all the business functional areas required to be successful business owners and managers.

5) An improved prospect for survival, growth, and development of their businesses.

6) An understanding of and knowledge of how to access all resources available for the successful implementation, expansion or operation of small businesses.

7) The sub-contracting institution shall, under the terms and conditions of this agreement, deliver the following services. Provide the described services to no less than eighty (80) Veterans or Veteran eligible persons.

8) Provide other training or services as may be determined necessary for the proper implementation and operation of the program.

9) Be responsible to the administrative component of the St. Louis VVLP for the proper operation of this program.

3. FISCAL ADMINISTRATION

a. PAYMENT DATA
Monthly invoices shall be submitted to William Elmore at the VVLP office for verification and approval. Upon verification and approval of costs claimed, the VVLP shall forward quarterly reports and invoices to the S.B.A. Project Officer in Washington, D.C.

4. REPORTING REQUIREMENTS

a. RECORDKEEPING AND REPORTING:
The St. Louis Community College agrees to maintain complete and accurate records and supporting documentation to support and facilitate any thorough financial and/or program audit. Further, the recipient shall be prepared to furnish such records for audit review. Any disallowance levied by the Federal Agency for which sub-contracting institution is responsible shall be borne by that sub-contracting institution.

b. PERFORMANCE REPORTS:
Monthly and quarterly performance reports shall be furnished to the VVLP project officer within fifteen (15) days after the end of each month and quarter. A final performance report shall also be prepared in consultation with the VVLP staff within sixty (60) days after the end of the performance period. Report will be furnished in original and three (3) copies.

c. PRIOR APPROVAL:
The recipient must obtain written approval from the St. Louis VVLP 30 days prior to any action relating to the items listed below, and as specifically identified in the approved budget, or elsewhere in these terms and conditions.

1. Changes in project scope or objective.
2. For budget revisions including fund transfers between cost categories and as required for other reasons by Attachment J, OMB Circular A-110.
3. Additionally, all topics of proposed co-sponsored training programs shall be approved.
4. All printed materials, relating to program, must receive prior approval from the VVLP before final printing.

5. DISPUTES

a. Any dispute arising under this agreement shall be decided by the Exective Director of the VVLP, who shall reduce his decision to writing and mail or otherwise furnish a copy thereof

to the recipient. This decision will be made in consultation with SBA field and central office personnel. Such a decision of the VVLP Executive Director shall be final and conclusive unless, within thirty (30) days from the date of receipt of such copy, the recipient otherwise delivers a written appeal.

b. Such appeal shall be addressed to the President of the VVLP Board of Directors. A copy shall be furnished to the VVLP Exective Director. The decision of the VVLP Board of such appeal shall be final and conclusive unless determined by a court of competent jurisdiction to have been fraudeulent or capricious, arbitrary, so grossly erroneous as to imply bad faith, or not supported by substanial evidence.

c. In connection with an appeal proceeding under this article, the federal assistance recipient shall be afforded an opportunity to be heard, to be present, to offer evidence and testimony in support of any appeal, to cross-examine witnesses and to examine documentation or exhibits offered in evidence or admitted to the appeal record (subject to the Government's right to offer its own evidence and testimony, to cross-examine the appellant's witnesses, and to examine documentation or exhibits offered in evidence by the appellant or admitted to the appeal record). The appeal shall be determined solely upon the appeal record.

d. This Disputes article shall not preclude consideration of any question of law in connection with decisions provided for by this article; provided, that nothing in this award document or related regulations shall be considered as making final the decision of any administrative official, representative, or Board, on a question of law.

6. CLAUSE ENTITLED "PATENT RIGHTS FEBRUARY 1982" REQUIRED:

OMB Circular A-124, February 10, 1982, is incorporated into the Provisions of this award.

7. ADMINISTRATIVE REQUIREMENTS AND COST PRINCIPLES:

The following OMB Circulars regarding Administrative Regulations and Cost Principles are applicable to this agreement as appropriate and are incorporated by reference.

ENTITY	ADMINISTRATIVE	COST PRINCIPLES
Universities	A-110	A-21
State & Local Governments	A-102 & A-128	A-87
Other Non-Profit Org.	A-110	A-122 & Supp. 4/27/84
For Profit Org.	A-110	FAR SEC. 31.0

8. DISPOSITION OF PROGRAM INCOME:

All program income as defined in Attachment D, OMB Circular A-110, shall be reported on financial report (SF 269) submitted to VVLP and is to be added to funds committed to the project by the Federal sponsoring agency and recipient organization and used to further eligible program objectives only. All revenues received from clients served by the Small Business Development Centers under the auspices of this award are considered to be program income. Program income cannot be used to satisfy match requirements.

9. GRANTOR AGENCY PROJECT OFFICER:

An VVLP Exective Director will be assigned to monitor the technical aspects of this award and will serve as liaison with SBA.

10. CONTRACTOR/SUBGRANTEE REPORTS:

Copies of all reports required to be furnished by contractors or subgrantees, acquired through the use of federal assistance funds, shall be furnished to the VVLP. Individual private consultant reports will be made available if requested by the VVLP.

11. PUBLICATION REQUIREMENTS:

Any publication resulting from this project whether copyrighted or not, must include an acknowledgement of support by the Small Business Administration, indicating the appropriate agreement number SB-2VA-00310-0 and the St. Louis Vietnam Veterans Leadership Program.

Except for scientific articles and papers appearing in scientific journals, materials must also contain the following disclaimer:

"Any opions, findings and conclusions or recommendations expressed in this publication are those of the author(s) and do not necessarily reflect the views of the U.S. Small Busisness Administration or the St. Louis Vietnam Veterans Leadership Program".

12. ADVANCE UNDERSTANDINGS:

a. Recipient understands that this award is only for the completion of this project as stated above. Any changes to this award must be approved in advance by the Grants Management Officer, in writing and the Exective Director VVLP.

b. The recipient agrees to furnish the Executive Director VVLP copies of indirect cost proposals, agreements negotiated with other federal agencies, and copies of current financial statements upon request.

13. OTHER RESOURCES:

Certain duties and responsibilities under this program may be delgated to the Veterans Business Resource Council of Greater St. Louis, or other designated entities, as determined by the Exective Director of the VVLP in consultation with representatives of the St.Louis Community College and the Small Business Administration.

PRINTED AT GOVERNMENT EXPENSE

PROJECT BUDGET
MISSOURI VETERANS' ENTREPRENEURIAL DEVELOPMENT PROGRAM
October 1, 1986 - September 30, 1987

ITEMS	FEDERAL FUNDS REQUESTED	TUITION INCOME FROM VETERANS	ST. LOUIS COMMUNITY COLLEGE IN-KIND MATCH	VVLP IN-KIND MATCH	SBA IN-KIND MATCH	TOTALS
SALARIES AND BENEFITS						
Project Director	-	-	$ 2,000	-	-	$ 2,000
Project Associate	$ 9,500	-	-	-	-	9,500
Clerical Staff	17,000	-	-	-	-	17,000
Advising Team Coordination	9,500	-	-	-	-	9,500
CURRICULUM DEVELOPMENT	1,000	-	500	-	-	1,500
TUITION	12,500	$14,000	-	-	-	26,500
RENT - Classroom Space	7,000	-	5,000	-	-	12,000
SUPPLIES	1,000	-	500	-	-	1,500
TRAVEL	1,000	-	-	-	-	1,000
SERVICES FOR ADVISING TEAM	2,000	-	-	-	-	2,000
PROGRAM PROMOTION, PRINTING AND ADVERTISING	7,000	-	-	$3,200	-	10,200
CONSULTING AND FISCAL SERVICES	7,500	-	-	-	-	7,500
INSTRUCTIONAL MATERIALS	5,000	-	-	-	-	5,000
POSTAGE	-	-	-	-	$1,000	1,000
COMPUTERIZED REGISTRATION AND TRANSCRIPTING	-	-	500	-	-	500
TELEPHONE	-	-	1,500	-	-	1,500
TOTALS	$80,000	$14,000	$10,000	$3,200*	$1,000**	$108,200

*VVLP will provide $3,200 in-kind services for mailing lists and advertisements in the Veterans' newspaper.
**SBA will provide use of its frank for mailings.

Vietnam Veterans
LEADERSHIP PROGRAM

Federal Building
Room 1213
405 S. Tucker Blvd.
St. Louis, MO 63102
(314) 436-2420

January 20, 1987

Dr. Gwendolyn W. Stephenson
Vice Chancellor
Educational Development
St. Louis Community College
5801 Wilson Ave.
St. Louis, MO 63110

Dear Dr. Stephenson,

Enclosed is one full signed copy of the sub-contract between the St. Louis V.V.L.P. and the St. Louis Community College.

Please be advised that we are requesting an extension of the program from the S.B.A., through January 13, 1988. This proposed extension will enable us (the VVLP and the Community College) to operate the program for one full year, with staff.

Upon receipt of our extension we will then extend our sub-contract with you.

Our first quarter report to Washington, D.C., will reflect no expenditures preceeding January 14, 1987.

Should you have any questions, please let me know.

Sincerely,

William D. Elmore
Executive Director

Vietnam Veterans
LEADERSHIP PROGRAM

Federal Building
Room 1213
405 S. Tucker Blvd.
St. Louis, MO 63102
(314) 436-2420

January 22, 1987

Mr. Gregory Diercks
Assistant Director
Office of Veterans Affairs
S.B.A., 1441 L. Street, N.W., Room 414
Washington, D.C. 20416

Dear Mr. Diercks,

Enclosed is our first quarters report for Grant #SB-2VA-00130-0, the Missouri Veterans Entrepreneurial Development Program.

These materials include standard forms #269,270 and 272, and other supporting documents detailing our activities to this point.

We do, with this letter ask your permission to extend the ending date of the contract through January 13, 1988.

This will allow us to operate the program for one full year with full staff, thus helping to ensure our success. Please note that there have been no expenditures of program (SBA) moneys prior to January 14, 1987 and also please note, that we are asking for a $20,000 advance payment to reimburse for expenses following the January 14, 1987 date for the St. Louis V.V.L.P. and the St. Louis Community College District.

In closing should you have, any questions, please let us know, we do hope that we have properly filled out the enclosed forms.

Sincerely,

William D. Elmore
Executive Director

WDE/sg

enclosures

Vietnam Veterans LEADERSHIP PROGRAM

Federal Building
Room 1213
405 S. Tucker Blvd.
St. Louis, MO 63102
(314) 436-2420

Grant #SB-2VA-00130-0

Period: September 30, 1986 through December 31, 1986

Program Narrative:

We received notice on October 28, 1986 that we had been awarded Grant NO: SB-2VA-00130-0 to operate the Missouri Veterans Entrepreneurial Development Program, we immediately set in motion a series of meetings with the St. Louis Community College District and the St. Louis District Office of the Small Business Administration to coordinate the implementation of the program.

Through this series of meetings, and other efforts, the following has been accomplished.

Two agreements have been signed between the St. Louis Community College and the St. Louis V.V.L.P., one regarding in-district rates for all participants, and the other a Sub-Contract for services to this program, by the Community College.

The starting date for the sub-contract is January 14, 1987.

The basic curriculum for the program has been developed and promotional materials are nearing the final draft form.

A steering committee was established representing the three principal organizations involved in the program (VVLP, SBA, and Community College). Out of this has evolved the Vision and Scope of the program.

An advisory board of more than 30 private sector individuals, has been assembled to provide expertise, resources and support to the program, and its participants.

This at no cost to the program. In many ways this is a key ingredient in our overall approach.

The Community College has now hired its full compliment of staff, and as of this date (January 22, 1987) we have had 49 inquires, from Veterans, regarding participation in the program.

Enrollment will begin in February 1987, with actual class room training targeted for March 2, 1987.

The basic concept involves a screening evaluation process to ensure the best candidates participation in the program. Classroom training, seminars and hands on technical services and mentoring are key ingredients to ensure that following training, the Veterans will have developed, real, viable and usable business plans, for the start up, or enhancement of their businesses. Other aspects that should evolve from the program are, loan packaging assistance, on going free technical services (legal, accounting, ect), our own Venture Capital pool and access

other sources of financing (SBA and Private), follow up and monitoring, a small business incubator and an expanding involvement by additional private sector supporters (the advisory board).

In total much work has been done, and much is still to be done. However, we do believe that we are off to a good start, and are excited to see the support evolving out of the community to assist us. We anticipate a successful program, and look forward to final and ongoing results that will come from our efforts.

William D. Elmore
Executive Director

Vietnam Veterans
LEADERSHIP PROGRAM

Federal Building
Room 1213
405 S. Tucker Blvd
St. Louis, MO 63102
(314) 436-2420

February 3, 1983

Dr. James K. Lahr, Ed. Director
Dean Institute for Continuing Education
Clarkson Education Center
P.O. Box 1500
Ballwin, MO 63011

Dear Dean Lahr,

This letter is to clear up any misunderstanding that may have resulted from our meeting last Thursday, January 29.

Regarding the extension of the "V.E.T." program and how that may effect the salaries of the two (2) program associates.

From the inception of the program, both of those positions were intended to be 12 months in length, so our request for an extension to operate the program for one (1) year with full staff, should have no detrimental effect.

Should you have any further questions regarding this, please let me know.

Other areas of program implementation, that we are interested in, are as follows.

Please keep me apprised of your efforts regarding the marketing of the program, to the Veterans and the community.

Also, the time frames for operation of the overall program including staff efforts, projected classes and starting dates. Brochures and other marketing materials as well as the staffs' responce to initial inquires for participation in the program.

This information, will assist me in monitoring the overall efforts.

Should you need further clarification please let me know.

Sincerely,

William D. Elmore
Executive Director

WDE/sg

cc: Tom Allen

U.S. SMALL BUSINESS ADMINISTRATION
WASHINGTON, D.C. 20416

FEB 19 1987

Mr. William D. Elmore
Executive Director
Vietnam Veterans Leadership Program
405 So. Tucher Boulevard
St. Louis, Missouri 63102

Dear Mr. Elmore:

Three copies of Revision #01 to Grant Number SB-2VA-00130-0, are enclosed for your review. We have incorporated additional information to clarify the initial award. If you agree with the provisions, counter sign all copies and maintain one copy for your files. Return two (2) copies to my attention, Office of Procurement and Grants Management, U.S. Small Business Administration, 1441 L Street, N.W., Room 219, Washington, D.C. 20416.

Please be advised that the SBA Project Officer assigned to monitor your award has been changed from Mr. Gregory Diercks to Mr. Leon J. Bechet, Deputy Director, Veterans Affairs. He can be reached at SBA, Office of Veterans Affairs, 1441 L Street, N.W., Room 414, Washington, D.C. 20416, or by telephone at (202) 653-8220.

Should you have any questions on the above matters, you can contact me at (202) 653-7744.

Sincerely,

Doris Copeland

Doris Copeland
Grants Management Specialist

Enclosures

SBA U.S. Small Business Administration

NOTICE OF AWARD

1. AUTHORIZATION (Legislation/Regulation)
Sec 8(b) 1(B) of the SBA Act as Amended
15 USC 631 et.al.

2. Grant No. SB-2VA-00130-0
Cooperative Agreement No:
Formerly: Revision #1

3. RECIPIENT: (Name, Orgnl Unit, Address)

Vietnam Veterans Leadership Program
Federal Building, Room 1213
405 So. Tucher Boulevard
St. Louis, Missouri 63102
(314) 436-2420

4. ~~SUPERCEDES~~ Revises AWARD NOTICE dated 10/9/86
except that any additions or restrictions previously imposed remain in effect unless specifically rescinded

5. PROJECT PERIOD Mo./Day/Yr
From 9/30/86 Through 1/13/88

6. BUDGET PERIOD Mo./Day/Yr
From 9/30/86 Through 1/13/88

7. TITLE OF PROJECT (OR PROGRAM) (Limit to 53 spaces)
Veterans Entrepreneurial Development

8. FEDERAL CATALOG NO.

9. ADMINISTRATIVE CODES
6690.96.66900.4110

10. DIRECTOR OF PROJECT (PROGRAM OR CENTER DIRECTOR, COORDINATOR OR PRINCIPAL INVESTIGATOR)
NAME Elmore, (Last) William (First) D. (Initial)
ADDRESS: Same as #3 above.

11. AWARD COMPUTATION

a. Amount of SBA Financial Assistance (from 12.0)	$80,000.00
b. Less Unobligated Balance From Prior Budget Periods	$ -0-
c. Less Cumulative Prior Award (s) This Budget Period	$80,000.00
d. AMOUNT OF THIS ACTION	$ -0-

12. APPROVED BUDGET (Excludes SBA Direct Assistance)
☐ SBA Funds Only ☒ Total project costs including all other financial participation

a. Personal Service	$
b. Fringe Benefits	
c. Consultants	
d. Travel	
e. Equipment	
f. Supplies	
g. Contractual	
h. Construction (A & R)	
i. ~~Training Costs~~ TUITION	
j. Other	
k. TOTAL DIRECT COSTS	$
l. Indirect Costs N/A (Rate % of S & W/TADC)	$
m. OTHER APPL. COSTS:	$
n. TOTAL APPROVED BUDGET	$108,200.00
o. Federal Share:	$ 80,000.00
p. Non-Federal Share*	$ 28,200.00

* Must meet all matching or cost participation requirements, subject to adjustment in accordance with SBA policy.

13. RECOMMENDED FUTURE SUPPORT (SUBJECT TO THE AVAILABILITY OF FUNDS AND SATISFACTORY PROGRESS OF THE PROJECT).

BUDGET YEAR	TOTAL DIRECT COSTS	BUDGET YEAR	TOTAL DIRECT COSTS
a.		c.	
b.		d.	

14. APPROVED DIRECT ASSISTANCE BUDGET (IN LIEU OF CASH)

a. Personal Services	$
b. Travel	
c. Other	N/A
d. TOTAL DIRECT ASSISTANCE	$

15. REMARKS (Other Terms & Conditions Attached ☒ Yes ☐ No)

This award is revised to clarify the initial Notice of Award dated October 9, 1986. Continued on page 2.

16. THIS AWARD IS SUBJECT TO THE TERMS AND CONDITIONS INCORPORATED EITHER DIRECTLY OR BY REFERENCE IN THE FOLLOWING:
a. The program legislation cited above
b. The program regulation cited above
c. This award notice including terms and conditions, if any, noted under Remarks
d. SBA Federal Assistance Regulations or Manual issuances in effect as of the beginning date of the budget period
e. SBA Policy Guidelines in effect as of the beginning date of the budget period
f. SBA Administrative Regulations/Guidelines in effect as of the beginning date of the budget period

In the event there are conflicting or otherwise inconsistent policies applicable to this award, the above order of precedence shall prevail. Acceptance of ALL terms and conditions is acknowledged by the Recipient when funds are drawn or otherwise obtained from the Federal payment system.

17. SBA LIST NO.	OBJ. CLASS.	18. CRS - EIN 43-1257306	19. ORGN DESCRIPTOR

	FY-CN	DOCUMENT NO.	SECONDARY ADM. CODE	AMT. ACTION FIN. ASST	AMT. ACTION DIR. ASST
20 a.	6690.96.66900.4110	b. SB-2VA-00130-0	c.	d. $80,000.00	e.
21 a.		b.	c.	d.	e.

22. AGENCY OFFICIAL (Signature, Name and Title)
Doris Copeland, Agreement Officer Doris Copeland

23. DATE ISSUED Mo./Day/Yr 2/18/87

FII

NOTICE OF AWARD

GRANT NO: SB-2VA-00120-0 RECIPIENT: Vietnam Veterans Leadership Program

15. Remarks (Continued)

This award Revision #1 is revised as follows:

1) Incorporate additional information to clarify the initial award, as shown on pages 3 thru 13;

2) Incorporate additional information to clarify the initial project budget page, see the attached Approved Budget; and

3) At no additional costs to the government, extend the ending dates of the project and budget period three (3) months, and fourteen (14) days--from 9/29/87 to 1/13/88, as shown in blocks 5 & 6 of this Notice of Award (SBA Form 1222). This extension was made per requests from the recipient by letter dated January 22, 1987, and with recommendations from the SBA Project Officer, memorandum dated February 3, 1987.

All other terms and conditions of this grant to remain in effect.

16. ACCEPTANCE OF AWARD REVISION #1

_____
Signature of Authorized Official

Name: William D. Elmore

Title: Executive Director, Vietnam Veterans Leadership Program

Date:

NOTICE OF AWARD

GRANT NO: SB-2VA-00120-0 RECIPIENT: Vietnam Veterans Leadership Program

24. RECIPIENT (Continued from Block 3)

County: St. Louis

Congressional District: 3rd

Type of Organization: Non Profit Organization

Codes: City 7080 , County 510 , State 20

SMSA of Project: City_____, State_____

25. AGENCY CODE:

26. THIS AWARD IS SUBJECT TO THE FOLLOWING COST PRINCIPLES AND OMB UNIFORM ADMINISTRATIVE REQUIREMENTS:

[ ] OMB Circular A-21 -- Cost Principles for Educational Institutions

[ ] OMB Circular A-87 -- Cost Principles for State and Local Governments

[ ] OMB Circular A-88 -- Indirect Cost Rates, Audits and Audit Follow-up at Educational Institutions

[X] OMB Circular A-122 - Cost Principles for Non-Profit Organizations

[ ] FAR Subpart 31.2 -- Principles for Determining Cost Applicable to Awards with For-Profit Organizations

[ ] OMB Circular A-102 - Uniform Administrative Requirements for Grants to State and Local Governments

[X] OMB Circular A-110 - Uniform Administrative Requirements for Grants and Agreements with Institutions of Higher Education, Hospitals and other Non-Profit Organizations (also to be applied to profit-making organizations where applicable).

NOTICE OF AWARD

GRANT NO: SB-2VA-00120-0 RECIPIENT: Vietnam Veterans Leadership Program

27. PROJECT DESCRIPTION AND GEOGRAPHIC SPECIFICATIONS (ABSTRACT):

To provide intensive self-help programs for armed services Vietnam veterans in the St. Louis area.

28. PAYMENTS FOR THIS AWARD WILL BE MADE BY:

[ ] Advance

Initial Advance Payment Amount: _____

Period Covered .....: _____

[X] Reimbursement

[ ] Consolidated Letter of Credit

[ ] Joint Letter of Credit

[ ] Single Letter of Credit

29. GRANTS/COOPERATIVE AGREEMENT SPECIALIST

Name: Doris Copeland

Telephone Number: (202) 653-7744

30. RECIPIENT'S PROJECT DIRECTOR

Name: William D. Elmore

Telephone Number: (314) 436-2420

NOTICE OF AWARD

GRANT NO: SB-2VA-00120-0 RECIPIENT: Vietnam Veterans Leadership Program

OTHER TERMS AND CONDITIONS (ATTACHMENT TO BLOCK 15):

SECTION I - STANDARD PROVISIONS

1. SCOPE OF PROJECT

This Grant is awarded to carry out the activities set forth in Federal Assistance Application and proposal dated September 9, 1986, copies of which are considered part of this Agreement by reference.

This Grant, between the Small Business Adminitration (SBA) and the recipient organization, is awarded as federal assistance to provide intensive self-help programs for armed services Vietnam veterans in the St. Louis area in the following manner:

Such training will be cnducted at the St. Louis Community College Institute for Continuing Education. The Institute will provide instructors and materials for the required, and elective courses. The Institute will schedule classes at convenient locations in the St. Louis area, register students, and keep attendance records.

The Vietnam veterans Leadership Program (VVLP) will serve as the award recipient and will provide program review and administrative oversight while coordinating outreach activities to veterans and receiving referrals to the program. They will provide mailing lists of veterans, publicity in veterans publications concerning the program, and volunteers for the counseling/advisory team. Staff time and some computer support for program records will also be contributed by the VVLP.

The Small Business Adminstration, through the local SCORE (Service Corps of Retired Executives) chapter, will assist with the counseling/advisory team functions and provide one-on-one counseling as needed to Veterans in the program.

2. ANTICIPATED OUTCOME:

By identifying veterans management skills deficiencies, formalizing the results of needs assessment with individual management skills profiles, and providing training to meet these needs, it is anticipated that veterans will acquire:

1) An enhanced ability to develop and update, on a regular basis, realistic business plans which would serve as "road maps" for their businesses.

2) Expertise in managing funds obtained from lenders, investors and operations to meet cash demands of their businesses.

3) The ability to use financial statements as management tools.

4) General management skills in all the business functional areas required to be successful business owners and managers.

5) An improved prospect for survival, growth, and development of their businesses.

2. FISCAL ADMINISTRATION

Payments under this award will be by reimbursement. Such reimbursements will be contingent on the recipient fulfulling the performance requirements of the grant award and completing Standard Form 270, Request for Advance or Reimbursement. Submit one (1) original and two copies to the SBA Project Officer for review and recommendation for payment to the Grants Management Officer. The form should be submitted to:

U.S. Small Business Administration
Office of Veterans Affairs
1441 L Street, N. W., Room 414
Washington, D.C. 20416
Attn: SBA Project Officer

a. Payment Data

Quarterly invoices shall be submitted through the SBA project officer for verification and approval. Upon verification and approval of costs claimed the SBA project Officer shall then forward the invoice to:

Small Business Adminitration
Office of Procurement & Grants Management
1441 L Street, N. W., Room 219
Washington, D.C. 20416

3. PRIOR APPROVAL

a. Requests for prior approval must be submitted to the Grants Management Officer, 30 days prior to proposed action.

b. The Grantee must obtain written approval prior to any action relating to the items listed below, and as specifically identified in the approved budget, or elsewhere in these terms and conditions:

(1) Changes in project scope or objectives.

(2) Changes in key project personnel.

(3) All subgrants and contracts in which project performance is transferred to other parties.

(4) Costs indicated in the approved budget as requiring prior written approval.

(5) Costs not specified on the approved budget or as required by applicable cost principles cited in paragraph 1, Section II below.

(6) For budget revisions including fund transfers between cost categories when cumulative amounts of such transfers exceed, or are expected to exceed, five percent of the total budget and as required for other reasons by Attachment J, OMB Circular A-110.

(7) When special OMB and other clearances or governmental approvals are required in relation to film production, new releases, publications, questionnaires, surveys and the such.

(8) Any proposed aggregate expenditure expected to exceed $5,000 if the (i) proposed contract will be awarded sole source and (ii) any contract proposed to be awarded after seeking competition but only one bid or proposal was received.

4. REPORTING REQUIREMENTS

a. General

(1) Submit Performance Reports to:

U.S. Small Business Administration
Office of Veterans Affairs
1441 L Street, N. W., Room 414
Washington, D.C. 20416
Attn: SBA Project Officer

(2) Submit Financial Reports to:

U.S. Small Business Administration
Grants Management Officer
Office of Procurement & Grants Management
1441 L Street, N.W., Room 219
Washington, D.C. 20416

(3) Number of Copies: One original and two copies

(4) Form/Format: As indicated in paragraphs to follow.

(5) Due Date/Frequency: As indicated in paragraphs to follow.

b. Financial Reports

(1) Report of Federal Cash Transaction will be submitted on Standard Form 272 and Financial Status Reports will be submitted on Standard Form 269.

(2) Reports shall be due no later than 30 days after the end of each quarter as reflected in the approved budget for quarterly reports, and no later than 90 days after the end of the project for the final report.

c. Performance Reports

(1) All performance reports shall contain a "brief presentation" of all activity involved utilizing the following format:

(a) A comparison of actual accomplishments to the estimated milestones established for the reporting period.

(b) Reasons for slippages in those cases where the milestones were not met, and a plan of action to overcome those slippages.

(c) Information relating to actual financial expenditures or budget object cost categories versus the estimated budget Award. Also, include an explanation of any cost overrun, if any, by budget object cost

category. Financial data furnished in this report is from a Managers standpoint and is in addition to that furnished in the Financial Reports cited above.

(a) Other pertinent information, including significant accomplishments.

(2) Report shall be due no later than 30 days after the end of each quarter as reflected in the approved budget for quarterly reports, and not later than 90 days after the end of the project for the final report.

a. Recordkeeping and Reporting:

The recipient agrees to maintain complete and accurate records and supporting documentation to support and facilitate any thorough financial and/or program audit. Further, the recipient shall be prepared to furnish such records for audit review.

5. PERSONNEL APPROVALS

The SBA reserves the right to approve or disapprove the employment of key professional-level employees of the recipient in the management operations of this project. Resumes, in sufficient detail to reveal the experience, education, and other general and special qualifications for the position, must be submitted to the Grants Management Officer for consent prior to employment of a candidate, if such information was not included in the application for assistance upon which this award is made.

6. DISPUTES

a. Except as otherwise provided by law or regulations, any dispute arising under this grant shall be decided by the Grants Management Officer (GMO), who shall reduce his decision to writing and mail or otherwise furnish a copy thereof to the recipient. Such a decision of the GMO shall be final and conclusive unless, within thirty (30) days from the date of receipt of such copy, the recipient otherwise delivers to the GMO a written appeal.

b. Such appeal shall be addressed to the Chairman of the SBA Grants and Cooperative Agreement Appeals Committee. A copy shall be sent to the GMO. The decision of the Committee shall be final and conclusive unless determined by a court of competent jurisdiction to have been fraudulent or capricious, or arbitary, or so grossly erroneous as to imply bad faith, or not supported by substantial evidence.

c. In connection with an appeal proceeding under this article, the federal assistance recipient shall be afforded an opportunity to be heard, to be present, to offer evidence and testimony in support of any appeal, and to cross-examine Government witnesses and to examine documentation exhibits offered in evidence by the Government or admitted to the appeal record (subject to the Government's right to offer its own evidence and testimony, to cross-examine the appellant's witnesses, and to examine documentation or exhibits offered in evidence by the appellant or admitted to the appeal record). The appeal shall be determined solely upon the appeal record.

d. This "Disputes" article shall not preclude consideration of any question of law in connection with decisions provided for by this article; provided, that nothing in this award document or related regulations shall be considered as making final the decision of any administrative official, representative, or Board, on a question of law.

7. TERMINATION AND SUSPENSION PROVISIONS

a. The attached OMB Circular A-110 prescribes uniform suspension and termination procedures for grants. Attachment L to OMB Circular A-102 also prescribes uniform suspension and termination procedures and is hereby incorporated by reference. The GMO is authorized to terminate or suspend any Agency grant in accordance with OMB Circular A-110 and Attachment L of OMB Circular A-102.

b. The suspension of a grant is an action by SBA that temporarily suspends funding under this grant pending corrective action by the recipient or pending a decision to terminate the grant by SBA.

c. The termination of this grant is the cancellation of SBA assistance, in whole or in part, at any time prior to the date of completion.

(1) Termination for Cause. SBA may terminate any grant in whole or in part at any time before the date of completion, whenever it is determined that the recipient has failed to comply with the terms and conditions of the grant. SBA shall promptly notify the recipient in writing of the determination and the reasons for the termination, together with the effective date. Payments made to the recipient or recoveries by SBA under grants terminated for cause shall be in accordance with the legal rights and liabilities of the parties.

(2) Termination for Convenience. SBA or the recipient may terminate a grant in whole or in part when both parties agree that the continuation of the project would not produce beneficial results commensurate with the further expenditure of funds. The two parties shall agree upon the termination conditions, including the effective date and, in the case of partial terminations, the portion to be terminated. The recipient shall not incur new obligations for the terminated portion after the effective date, and shall cancel as many outstanding obligations as possible. SBA shall allow full credit to the recipient for the Federal share of the noncancellable obligations properly incurred by the recipient prior to termination. When the GMO determines that it is in the best interests of the Government to terminate an award, whether in whole or in part, but agreement to such termination cannot be reached with the recipient, the GMO is authorized to unilaterally terminate the award.

8. AUDIT PROCEDURES

a. An audit will be conducted on the recipient 60-90 days after award if the GMO determines that such audit is necessary. Generally, audits may be conducted at any time, but will be made at least annually and upon completion or termination of this project.

b. The audit examination is generally based on an objective review of the available documentation and books of account maintained by the recipient. The auditor may question whether a cost is in accordance with the award conditions or policies or whether it has adequate supporting documentation.

Vietnam Veterans
LEADERSHIP PROGRAM

WEST ST. LOUIS COMMUNITY CENTER
724 N. UNION BLVD. 2ed. FLOOR
ST. LOUIS MISSOURI, 63108
(314) 367-5505

February 9, 1988

Mr. James K. Lahr, Ed. D
Dean, Institute for Continuing Education, and
Director, Clarkson Education Center
P.O. Box 1500
Ballwin Mo. 63011

Dear Dean Lahr;

As you may be aware, yesterday, Febryary 8, 1988, I met with Mr. Dennis Farnsworth from the V.E.T. Program. Following our meeting, upon his request & with verbal permission sought and provided by Mr. Leon Bechet, S.B.A. Project Officer for Contract SB-2VA-00130-0 in Washington D.C.. The St. Louis Vietnam Veterans Leadership Program issued a Check to the St. Louis Community College District totaling $22,497, for the 4th quarter services sub-contracted from the above referenced Contract.

During my meeting with Mr. Farnsworth, he indicated the St. Louis Community College District has been notified of some changes made reguarding the St. Louis VVLPs Contract with the S.B.A. Office of Veterans Affairs in Washington D.C. To date, we have not received any written notice reguarding any changes in our relationship or Contract with the S.B.A.. This explains why the February 1, 1988 letter was sent to you requesting compliance with the Sub-Contract between the St. Louis Vietnam Veterans Leadership Program, and the St. Louis Community College. We are still responsible to the S.B.A. in Washington for proper operation of the program.

Should you need further information, please let me know.

Sincerely,

William D. Elmore
Executive Director

U.S. SMALL BUSINESS ADMINISTRATION
WASHINGTON, D.C. 20416

FEB 12 1988

Mr. William D. Elmore
Executive Director
Vietnam Veteran Leadership Program
West St. Louis Community Center
724 N. Union Blvd. 2nd Floor
St. Louis, MO 63108

Dear Mr. Elmore:

This will confirm our telephone conversation on February 8, 1988, wherein I approved the issuance of the 4th quarter reimbursement check for $22,497 to the St. Louis Community College District, provided you had no indication that the check should not be issued.

I was, however, under the impression that arrangements had been made for you to recieve the appropriate documentation in accordance with the grant document and your agreement with the College in order to formally close out this grant file.

I am also enclosing a copy of correspondence I have received, through Gene Anderson, the Region VII VAO, from Richard Grote, dated January 28, 1988. Mr. Grote did meet with us on July 16, 1987 at which time he urged some of the concerns pointed out in his letter. Since you are the grantee, we noted his concerns and referred him to you. He mentioned in his letter that the Advisory Board is in fact receiving referrals at this time and our information is that the College's methodology was to have each individual develop his or her own business plan independently. Am I to assume that the Advisory Board wants out of the program at this time? Obviously the program is not over and a real issue is raised if Mr. Grote's allegation that less than half of the business plans show any real thought or hope of success is accurate. There were a number of lecturers and presenters whom I thought were Vietnam Veterans and members of the Advisory Board. You may wish to comment on this after discussing the matter with Mr. Grote.

Please let me know what I may be able to do in assisting you to wind up the grant portion off this endeavor.

Sincerely,

Leon J. Bechet
Deputy Director
Office of Veterans Affairs

Vietnam Veterans
LEADERSHIP PROGRAM

WEST ST. LOUIS COMMUNITY CENTER
724 N. UNION BLVD. 2ed. FLOOR
ST. LOUIS MISSOURI, 63108
(314) 367-5505

March 1, 1988

Mr. Leon Bechet
Deputy Director
Office of Veterans Affairs
S.B.A., 1441 L. Street, N.W. Room 414
Washington D.C., 20416

Dear Mr. Bechet;

Enclosed is our Fifth and final Quarters report for grant #SB-2VA-00130-0, the Missouri Veterans Entrepreneurial Development program.

These materials include standard forms #269, 270 and 272 along with other supporting materials detailing our activities.

As was the case with our last report (4th Qtr.), this report contains very little information reguarding the operation of the V.E.T. program. Our subcontractor, the St. Louis Community College has been uncooperative in our relationship. We have sent requests to the college, requesting necessary information for proper reporting (see attached). Thus far we have received no written responce. Indications are that they intend to ignore our requests. Additionally they show no indication of intention to comply with the provisions of our contract with them.

We have kept you informed of these problems. And will continue to work toward their resolution, if necessary with your assistance.

Please see attached report for further information.

Sincerely,

William D. Elmore
Executive Director

Vietnam Veterans
LEADERSHIP PROGRAM

WEST ST. LOUIS COMMUNITY CENTER
724 N. UNION BLVD. 2ed. FLOOR
ST. LOUIS MISSOURI, 63108
(314) 367-5505

GRANT #SB-2VA-00130-0

Period October 1, 1987 thru January 13, 1988
5th Quarter

PROGRAM NARATIVE:

As was the case with our fourth quarter report. It is not possible to provide detailed comparisons of actual accomplishments to the estimated milestones for this the last quarter of the program.

The St. Louis Community College, with whom we have a contract for delivery of services in this program. Has not provided the contracted for, nor the requested information or reports necessary for proper reporting or evaluation of the Veterans Entrepreneur Training program. This includes not only narative information, but budget information as well. To date we have never received the proper fiscal information, as required by our contract with the college. This includes S.B.A. standard forms 269, 270 and 272.

Our understanding of the situation is as follows.
The St. Louis Community College refuses to provide the necessary information for us to properly administer the program.
The St. Louis Community College, has proposed directly to your office, for year two of the V.E.T. program. By passing the St. Louis Vietnam Veterans Leadership Program entirely. In effect eliminating direct veterans involvement in our program. This even tho it is the St. Louis VVLP that is the prime contractor and developer of the concept of V.E.T.
The St. Louis Community College has proposed to you, and intends to market our program to other colleges around the country, at a particular cost, plus expenses. Again without the participation or permission of the St. Louis Vietnam Veterans Leadership Program.
Members of the VVLP voluntary Resource Advisory Board have indicated strong disasatisfaction with the Community Colleges activities reguarding the program.
They have also expressed concerns reguarding some of the participants, their prospects for success, and the quality of their business plans.
We, the St. Louis VVLP, have worked within the S.B.A system, and the outline of our contracts with the S.B.A., and the college. In an effort to secure the necessary information for proper administration, operation, reporting, and evaluation of our program. All with little success.
S.B.A. field staff have been of little assistance in resolving this situation. Their efforts sometimes only leading to more confusion, and no resolution.
The quality of support and assistance for the veteran participants has suffered, as a result of all of this.
The quality and depth of the V.E.T. program has suffered as well.

Vietnam Veterans
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As a pilot effort, we anticipated unforeseen problems as we developed the concept, and the program. What we did not anticipate, has been the unwillingness of the college to adhere to the requirements of our contract, effectively excluding our oversight and administration of the program. Also hindering the full participation and support of our voluntary Resource advisory Board. This has stifled the potential success of our collective efforts (SBA, VVLP & JCD). Nor did we anticipate the colleges efforts at packaging the program, its concepts and ideas, claimimg them as their own. And attemptimg to sell the program around the country.

In closing, what the VVLP is seeking is resolution to these questions. In a reasonable, responsible manor. Within & adhering to the guidelines of our contracts and aggrements. This with a return to the partnership that developed this program in its origional form.
If this cannot be done, the future of the V.E.T program itself may be in jeopardy.

Vietnam Veterans
LEADERSHIP PROGRAM

WEST ST. LOUIS COMMUNITY CENTER
724 N. UNION BLVD. 2ed. FLOOR
ST. LOUIS MISSOURI, 63108
(314) 367-5505

March 1, 1988

ATTACHMENT TO FISCAL REPORT
5TH QUARTER
SB-2VA-00130-0

The St. Louis Vietnam Veterans Leadership Program has not received any reports from the St. Louis Community College, for the 4th and 5th quarter of SB-2VA-00130-0.

The St. Louis Vietnam Veterans Leadership Program has not requested any reimbursements from the S.B.A. for the 4th and 5th quarters of SB-2VA-00130-0.

We were issued a Check for $22,497, from the S.B.A., for the 4th quarter (we did not request this).

We did issue a Check to the St. Louis Community College for $22,497, for the 4th quarter of SB-2VA-00130-0. This was done following verbal approval from our S.B.A. Project Officer.

These activities may cause discrepancies in our 4th and 5th quarters fiscal reports.

NOTICE OF AWARD

GRANT NO: SB-2VA-00120-0 RECIPIENT: Vietnam Veterans Leadership Program

SECTION II - SPECIAL PROVISIONS

1. ADMINISTRATIVE REQUIREMENTS AND COST PRINCIPLES

The uniform administrative requirements in OMB Circular A-110 (7-30-76) and cost principles published in A-122 & Supp. 4-27-84 are applicable to this award and incorporated herewith.

2. DISPOSITION OF PROGRAM INCOME

All program income as defined in attachment D, OMB Circular A-110, shall be reported on financial reports submitted to SBA and is to be deducted from the total project costs in determining the net cost on which the Federal share of costs is based.

3. GRANTOR AGENCY PROJECT OFFICER

An SBA Project Officer will be assigned to monitor the technical aspects of this award. Written notification of this appointment will be furnished to the recipient.

4. CONTRACT/SUBGRANTEE REPORTS

Copies of all reports, required to be furnished by contractors or subgrantees, acquired through the use of Federal assistance funds, shall be furnished to the Office of Procurement and Grants Management, Grants Branch. This includes consultant reports paid for from such funds.

5. PUBLICATION REQUIREMENTS

Any publication resulting from this grant project must include the following acknowledgement of support and disclaimer statement, whetner copyrighted or not:

> "This material is based upon work supported by the U.S. Small Business Administration under Grant Number SB-2VA-00130-0."

Except for scientific articles and papers appearing in scientific journals, materials must also contain the following disclaimer:

> "Any opinions, findings and conclusions or recommendations expressed in this publication are those of the author(s) and do not necessarily reflect the views of the U.S. Small Business Administration."

6. CLAUSE ENTITLED "PATENT RIGHTS FEBRUARY 1982" REQUIRED

OMB Circular A-124, February 10, 1982, is incorporated into the Provisions of this award.

NOTICE OF AWARD

GRANT NO: SB-2VA-00120-0 RECIPIENT: Vietnam Veterans Leadership Program

7. ADVANCE UNDERSTANDINGS

a, Recipient understands that this award is only for the completion of this project as stated above. Any changes to this award must be approved in advance by the Grants Management Officer, in writing.

b. Recipient agrees that all approved travel will be on a reimburseable basis. Recipient will submit receipts of all travel costs incurred with the exception of meals which are included in the $75.00 per day per diem. Receipts shall be submitted to the cognoizant SBA Project Officer on a monthly basis.

c. This project is not to be sub-granted to a third party. Contracting out for certain functions as approved herein is permissible; however, the prime recipient shall insure compliance with all applicable laws and regulatory requirements by recipient parties. Additionally, the recipient agrees to furnish the Grants Management Officer not later than 30 days after award of this grant, copies of contracts, rental, agreements lease, entered into, and pay plans agreed upon between the grantee and the renting party/parties in relation to the performance of this grant. (Procurement and property management procedures spelled out in OMB Circular A-102, A-110, and A-122 shall govern.)

d. Any indirect or administrative overhead costs included herein are approved for budgetary purposes only and may not be exceeded, nor charged against this grant unless allowability established in accordance with appropriate cost principles. Treatment of all costs must be consistent with acceptable accounting procedures and in accordance with a negotiated Indirect Cost Agreement negotitated with a cognizant Federal Agency, if such an agreement is in effect. Any fee included in the approved budget is likewise included herein for budgetary purposes only and may not be exceeded without prior written approval of the Grants Management Officer. All indirect costs and fees applied against this grant must be charged within the budget quarter in which the costs are incurred, applied to a base allocable to that period, and reported on financial reports submitted pursuant to requirements cited above.

e. All cost identified in the approved budget are subject to change if no previously established indirect cost rate has been submitted. Where no definitized approved rate has been established within the last year by a cognizant Federal agency,

NOTICE OF AWARD

GRANT NO: SB-2VA-00120-0 RECIPIENT: Vietnam Veterans Leadership Program

SBA will perform an audit, if the Grants Management Officer deems it appropriate within 60-90 days after award of this agreement to determine an acceptable indirect cost rate.

f. In compliance with the projected time-phasing on this grant, a written explanation should be submitted if the grantee can not comply with those quarterly projections for performance measures. This explanation should be submitted before all quarterly reports are submitted to the U.S. Small Business Administration. These statements of explanation should be submitted twenty (20) working days before the final quarterly report is due.

g. The recipient agrees to furnish the Grants Management Officer copies of Indirect Cost Agreements negotiated with other Federal agencies and copies of current financial statements upon request.

h. The recipient agrees to maintain time and attendance records on employees whose salaries are charged to this grant in sufficient detail to create a clear audit trail and to substantiate the percentage of effort expended in support of project objectives. It is understood by grantor and recipient parties that travel will be in accordance with U.S. Government Travel Regulations.

i. Incurrance of costs supporting this project may be charged to this grant only if incurred during the budget period shown in Item #6, Notice of Award face page, and in accordance with the approved budget and applicable cost principles.

LIST OF ATTACHMENTS

1. Federal Assistance Application cited in paragraph 1, Section I above.
2. Approved budget
3. OMB Circular A-110
4. OMB Circular A-122

PROJECT BUDGET
MISSOURI VETERANS' ENTREPRENEURIAL DEVELOPMENT PROGRAM
October 1, 1986 - September 30, 1987

ITEMS	FEDERAL FUNDS REQUESTED	TUITION INCOME FROM VETERANS	ST. LOUIS COMMUNITY COLLEGE IN-KIND MATCH	VVLP IN-KIND MATCH	SBA IN-KIND MATCH	TOTALS
SALARIES AND BENEFITS						
Project Director	-	-	$ 2,000	-	-	$ 2,000
Project Associate	$ 9,500	-	-	-	-	9,500
Clerical Staff	17,000	-	-	-	-	17,000
Advising Team Coordination	9,500	-	-	-	-	9,500
CURRICULUM DEVELOPMENT	1,000	-	500	-	-	1,500
TUITION	12,500	$14,000	-	-	-	26,500
RENT - Classroom Space	7,000	-	5,000	-	-	12,000
SUPPLIES	1,000	-	500	-	-	1,500
TRAVEL	1,000	-	-	-	-	1,000
SERVICES FOR ADVISING TEAM	2,000	-	-	-	-	2,000
PROGRAM PROMOTION, PRINTING AND ADVERTISING	7,000	-	-	$3,200	-	10,200
CONSULTING AND FISCAL SERVICES	7,500	-	-	-	-	7,500
INSTRUCTIONAL MATERIALS	5,000	-	-	-	-	5,000
POSTAGE	-	-	-	-	$1,000	1,000
COMPUTERIZED REGISTRATION AND TRANSCRIPTING	-	-	500	-	-	500
TELEPHONE	-	-	1,500	-	-	1,500
TOTALS	$80,000	$14,000	$10,000	$3,200*	$1,000**	$108,200

*VVLP will provide $3,200 in-kind services for mailing lists and advertisements in the Veterans' newspaper.
**SBA will provide use of its frank for mailings.

APPROVED BUDGET

AWARD NUMBER: SB-2VA-00130-0 RECIPIENT: Vietnam Veterans Leadership Program
BUDGET PERIOD: 9/30/86 thru 1/13/88

COST CATEGORY & SUB ITEMS	TOTAL BUDGET	1st Qtr. 9/30-12/31	2nd Qtr. 1/01-3/31	3rd Qtr. 4/01-6/30	4th Qtr. 7/01-9/30	1st Qtr. 10/1-1/13
a. Personal Service	$ 38,000	-0-	$ 9,500	$ 9,500	$ 9,500	$ 9,500
c. Consultants	$ 7,500	-0-	$ 1,875	$ 1,875	$ 1,875	$ 1,875
d. Travel	$ 1,000	-0-	$ 250	$ 250	$ 250	$ 250
f. Supplies	$ 1,500	-0-	$ 375	$ 375	$ 375	$ 375
g. Tuition	$ 26,500	-0-	$ 6,625	$ 6,625	$ 6,625	$ 6,625
j. Other	$ 33,700	-0-	$ 8,425	$ 8,425	$ 8,425	$ 8,425
k. TOTAL DIRECT COSTS	$108,200	-0-	$27,050	$27,050	$27,050	$27,050
l. INDIRECT COSTS (Rate ____% of S&W/TADC)	-0-	-0-	-0-	-0-	-0-	-0-
m. OTHER APPL. COSTS:	-0-	-0-	-0-	-0-	-0-	-0-
n. TOTAL APPROVED BUDGET	$108,200	-0-	$27,050	$27,050	$27,050	$27,050
o. TOTAL APPROVED						
SBA FEDERAL SHARE	$ 80,000	-0-	$20,000	$20,000	$20,000	$20,000
NON FEDERAL SHARE	$ 28,200		$ 7,050	$ 7,050	$ 7,050	$ 7,050

NOTE: All Costs approved on this budget must meet the tests of necessity, reasonableness, allowability, and allocability in accordance with applicable cost principles applicable to this award. All costs charged to this project are subject to audit. Recipients are responsible to insure proper management and financial accountability of federal funds to preclude future cost disallowances. Payment will be made by reimbursement.

Vietnam Veterans
LEADERSHIP PROGRAM

West St. Louis Community
Center
724 N. Union Blvd.
2nd Floor
St. Louis, MO 63108
(314) 367-5505

April 30, 1987

Mr. Leon J. Bechet
Deputy Director
Office Of Veterans Affairs
S.B.A. 1441 L. Street, N.W. Room 414
Washington, D.C. 20416

Dear Mr. Bechet,

Enclosed is our second quarters report for Grant #SB-2VA-00130-0, the Missouri Veterans Entrepreneurial Development Program.

These materials include standard forms #269, 270 and 272, and other supporting documents detailing our activities.

Please note that there were no expenditures of program (SBA) moneys prior to January 14, 1987, also note that because of the demand and interest in the program we have expanded the number of participants from 80 to 100 at no additional cost.

Should you have any questions regarding anything in this report, please let me know.

Sincerely,

William D. Elmore
Executive Director

WDE/sg

Grant #SB-2VA-00130-0

Period: January 1, 1987 through March 31, 1987
2nd Quarter

PROGRAM NARRATIVE:

On January 14, 1987 we received our proposed sub-contract to the St. Louis Community College, approved and signed by Michael E. Crawford, Chancellor.

We then requested an extension of our orgional contract with the Small Business Administration through January 13, 1988.

This extension (notice of approval from SBA received February 20, 1987) allows us to operate the program for one full year with full staff.

With the sub-contract completed between the Community College District (JCD) and the Vietnam Veterans Leadership Program (VVLP) the full complement of paid staff was hired at the JCD.

Due to a turn over of other staff (the project director) at the JCD, a series of meetings were held between new JCD staff, VVLP staff and local SBA employees to acquaint the new staff with the concept and approach of the program.

Out of those meetings the program took form with the design finalized and marketing, promotional and application materials developed and printed.

Through this process our volunteer resource, Advisory Mentoring Board has continued to evolve. This key board, now numbering more than 50 has met twice (March and April) and broken itself into various Committees, each addressing itself to particular areas of our program.

With the assistance of our Resource board, JCD staff and others, a series of advertisements, mailings and media appearances took place in January and February. This resulted in requests for more than 1,000 applications being processed with 220 completed applications received for consideration for entry into the program. Of this 220 approximately 40% were from minorities and 20% were exhisting business. For those not chosen, and for those who requested an application (1050) but did not return them completed, a special seminar is being planned for June. Our approach has been to generate inquires and mail out applications anticipating that through this process a natural paring down would take place based on effort and committment, this seems to be what has happened.

Lessons learned at this stage in the development of our program include:

1. Twelve months was not enough time to fully think through, design, hire staff, develope and implement all the elements necessary to effectively establish and operate this program. This problem has been addressed through the approved extension of the program.

2. The budget, as orgionaly formulated by a now departed Communtiy College District Employee, was not realistic.

Too much emphasis was placed on other than staff support and not enough money in staff salaries. I believe the total amount requested to be sufficient, and the idea of participants paying a portion to support the program a good one, however with the luxury of hind sight, I would design it differently.

3. The idea of a private sector based resource advisory board of successful business oriented Veterans is a very good one. We have experienced a gratifying amount of interest and support from Veterans in business and non Veterans as well. Our approach has been to focus our initial recruiting on Vietnam, in country, Veterans first, Vietnam Era Veterans second, and other Veterans and interested persons third, for participation on this board.

For many of our members, this is the first time they have identified themselves with any sort of Veterans program or initiative.

Most I have talked to have told me of two reasons for their involvement. One is an opportunity to asist their fellow Veteran. The second is that this is a positive giving sort of effort designed to help Veteans help themselves, something worthy of them giving of their valuable time and expertise. The committment, support, effort, initiative and expertise available to us through this board could not be purchased, our program literally cound not afford it.

There are some problems(?) that come with this sort of voluntary effort, while not major nor overwhelming, there are issues to be aware of. These successful business men and women do not have much tolarence for bureaucratic requirements such as who you can and cannot serve. They would prefer the focus be on Vietnam in Country Veterans and little else.

Also, volunteers when involved in a day to day decision near their area of expertise, can be easily put off by the final decision (by staff) if it is not exactly as the volunteer would want it.

However all in all this unique aspect of our program (the voluntary board) is a major strength that helps ensure our success.

4. We made a desision in the early stages of the development of our program to allow, when appropriate, the spouse of a Veteran to attend - participate in all the aspects of our program. This decision was made for a varity of reasons such as disability of the Veteran and the spouces present or expected involvement in the operation of the busines. To this point this has been a good decision we have received applications from Veterans who otherwise may not have applied if this had not been allowed.

5. We have received support or inquiries from other agencies and eductional institutions. For example the St. Louis Small Business Development Center is willing to assist selected and non selected participants in our program, the State of Missouri Department of Economic Development has shown some interest in our efforts. We have been asked if we have, or would, consider some other eductional institution for our base of training. We have had preliminary discussions with the Inventors Association of St. Louis to explore the establishment of a jointly sponsored Small Busines Incubator, and possibly a seed capital revolving loan pool. There has been some discussion amongest Advisory Board Members, for raising funds to establish and support a venture capital fund to help caitalize some of the business ventures. So as you can tell much has been done, and much is still to be done, however we do feel we are moving in the right direction and do anticipate some level of success with this our pilot effort.

Vietnam Veterans
LEADERSHIP PROGRAM

West St. Louis Community
Center
724 N. Union Blvd.
2nd Floor
St. Louis, MO 63108
(314) 367-5505

June 25, 1987

James K. Lahr, ED.D.
St. Louis Community College
P.o. Box 1500
Ballwin, MO 63011

Dear Dean Lahr,

Enclosed is a check totaling $12,208.73 for the operation of the Veterans Entrepreneur Training Program (V.E.T.) for the period of January 14, 1987 through March 31, 1987.

There were three (3) areas in the report I received from your staff that necessitated change, these were (1) as we had discussed there were no expenditures prior to January 14, this effected the amount of salary reimbursement for the secretary position, (2) there was a mathematical error in the salary total for Mr. Farnsworth, we adjusted this to the proper total, (3) there was a mathematical error in the budget line item for travel, we adjusted this to the proper total.

Upon discussion with the SBA Project Officer assigned to monitor our award, there are certain materials I must request for our records. Please provide to us copies of documentation detailing all expenditures relating to your portion of the program, these would include receipts, monthly mileage reports, time sheets, supplies, printing/advertising costs ect. These should be for expenses already incurred necessitating request for reimbursement and future expenses as they occur.

Other materials I am specificaly requesting include the names and addresses of the approximately 1200 (to this point) persons who requested information regarding the program. The names and addresses of the approximately 230 persons who submitted applications for the program. And the names and addresses of the 110 persons accepted and afford the opportunity to participate in the program. I would also like a monthly listing of additional inquires regarding the program.

While I know this may be a burdensome task, it is my responsibility as the signator on the contract with the SBA National Office to maintain this level of information.

Page 2

Dean Lahr

We thank you for your committment to this program and complement the staff of the Community College for a job very well done under what in the beginning were less than ideal circumstances.

The progress we have made and the depth and breath of our program are a direct result of their professionalism and effort.

Should you have any questions regarding any of this, give me a call.

Sincerely,

William D. Elmore
Executive Director

WDE/sg

Vietnam Veterans
LEADERSHIP PROGRAM

West St. Louis Community
Center
724 N. Union Blvd.
2nd Floor
St. Louis, MO 63108
(314) 367-5505

August 7, 1987

Mr. Leon J. Bechet
Deputy Director
Office of Veterans Affairs
S.B.A. 1441 L. Street, N.W. Room 414
Washington, D.C. 20416

Dear Mr. Bechet,

Enclosed is our third quarter report for grant #SB-2VA-00130-0, the Missouri Veterans Entrpreneurial Development program.

These materials include standard forms #269, 270 and 272 and other supporting documents detailing our activities.

The lateness of this report results from the lateness in the submission to the VVLP by the Community College of its' portion of the report.

Should you have any questions regarding anything in this report, please let me know.

Sincerely,

William D. Elmore
Executive Director

Grant #SB-2VA-00130-0

Period: April 1, 1987 through June 30, 1987
3rd Quarter

PROGRAM NARRATIVE;

On Wednesday April 1st the second meeting ou our Advisory Board was held, at this meeting the expansion of our program was announced (from 80 to 100) at no additional cost to the program. The screening process for applicants was also discussed, with members volunteering their time and ideas.

On Saturday(s) April 25 and May 2nd interviews were conducted to select participants for the program, arrangements were made for business day interviews for those unable to attend the Saturday screening. During this process a determination was made to charge each participant $175 for enrollment with all classes and services included in that cost.

On May 6th the next meeting of the Advisory Board was held, a discussion ensued regarding the level of "in country" Vietnam Era Vets compaired to Vietnam Era Vets and others accepted into the program.

This was also the first time we discussed initiating our own venture capital fund.

During this meeting representatives from the St. Louis S.B.A. District Office mentioned the possibility of additional SBA funds to continue/expand the program.

During the week of May 10 thru 16 local observances placed great emphasis on Veterans in business and the V.E.T. program (please see enclosed) these activities increased the communities awareness of our efforts and established relationships with many groups and persons active in local small business efforts.

On June 5, 1987 a one day seminar was held for applicants not accepted into the program as well as other Veterans.

During the last 2 weeks of May notices were sent to those accepted into the program and enrollment took place during the first two weeks of June.

Classes began during the 3rd week of June (and July).

On Saturday, June 20th our first Saturday seminar was held. One hundred thirty four persons attended including 92 of 98 participants, 22 spouses plus presentors, collectively they expressed their enthusiasm for the program.

On June 24, the next meeting of the Business Advisory Board was held. We announced that 98 persons were enrolled in the VET program, and that 50% had already started classes.

Approximately 60 Veterans submitted financial plans which were reviewed and graded by members of our advisory board and included in the Veterans files.

Another member of the Advisory Board (who owns a printing business) has agreed to provide printing (at cost) for participants for initial letterhead, cards, envelopes, ect.

Soon I will forward you my request for a reorganization of my exhisting budget as well as a request for additonal funds to support our program through the rest of the contract period (or beyond). These request(s) are made because the exhisting budget is not adequate to support the necessary staff to complete the program in a comprehensive and successful manor. I anticipate this will not be a large request.

We look forward to your attendance this month at our Saturday seminar. We can discuss these requests at that time.

Vietnam Veterans
LEADERSHIP PROGRAM

West St. Louis Community
Center
724 N. Union Blvd.
2nd Floor
St. Louis, MO 63108
(314) 367-5505

August 18, 1987

James K. Lahr, ED.D.
St. Louis Community College
P.O. Box 1500
Ballwin Mo. 63011

Dear Dean Lahr;

Upon reviewing the Vietnam Veterans Leadership Program contract with the Small Business Administration and the subsiquent sub-contract from the VVLP to the St. Louis Community College, I feel there are some areas that should be brought to your attention.

On June 25, 1987 I sent you a letter (copy enclosed), requesting documentation detailing expenditures relating to the Veterans Entrepreneur Training program.

I also requested the names and addresses of all program participants, program applicants, and all persons requesting information regarding the program. To Date I have not received any of this.

Section's 3a. and 4b. of our (sub)contract require the submission of monthly and quarterly reports to the VVLP, I have not yet received any monthly reports, and quarterly reports have not been submitted within the time frames agreed to in the (sub)contract.

Section 9. states "VVLP Executive Director will be assinged to monitor the technical aspects of this award and will serve as liasion with S.B.A.". It was brought to my attention that during (the VVLP program monitor) Mr. Bechets recent visit to St. Louis, discussions were held between Community College staff and Mr. Bechet to propose an extension or expansion of the V.E.T. program, this was done without my knowledge input or involvement. I find this inappropriate and troublesom in that this follows on a pattern that began after the VVLP was initially approached on May 28, 1986 by a representative of the S.B.A. Veterans Affairs Office in Washington D.C..

During that meeting the VVLP was asked to submit a proposal to establish a Veterans Business training program. After a series of meetings I called to formulate our approach (I invited Community College representatives to participate in these meetings), I was supprised to discover that the Community College representative had written a proposal (without my knowledge) formulated a budget (without my imput) and forwarded the packedge to washington for establishment of the program.

A similar occurance took place on February 4, 1987. During a visit to the Missouri State Office of Job Development and Placement in Jefferson City Mo., to explore possible aditional sources of funds

to enhance our program. I was informed that the Community College District had initiated a similar effort, again without my knowledge or input.

It has become clear that during the establishment and operation of the V.E.T. program the Community College District has forgotten one very important point. It is the St. Louis Vietnam Veterans Leadership Program that entered into contract with the Small Business Administration for the development and operation of the V.E.T. program. The VVLP then (sub)contracted to the St. Louis Community College District for your portion of the program.

We (the VVLP & the Community College District) have in hand a unique oportunity (and program) to assist Veterans in their endeavor to start and operate their own small business, let us not allow these above detailed problems to adversely impact on our joint efforts to assist them.

I await your response to this letter.

Sincerely

William D. Elmore
Executive Director

cc: Dr. Gwendolyn Stephenson
Mr. Thomas Allen
Mr. Richard Grote

Vietnam Veterans
LEADERSHIP PROGRAM

West St. Louis Community
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724 N. Union Blvd.
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St. Louis, MO 63108
(314) 367-5505

September 8, 1987

Mr. Leon J. Bechet
Deputy Director
Office of Veterans Affairs
S.B.A. 1441 L. Street, N.W. Room 414
Washington, D.C. 20416

Dear Mr. Bechet,

As a follow up to our discussions in St. Louis, please find enclosed our proposal for an 18 month extension of our Veterans Entreproneur Training (VET) program.

If granted, this proposed extension will produce dramatic results, in the form of successful business startups, expansions, and favorable publicity.

Should you need further information please let me know, we hope you view this favorably.

Sincerely,

William D. Elmore
Executive Director

Vietnam Veterans
LEADERSHIP PROGRAM

West St. Louis Community
Center
724 N. Union Blvd.
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St. Louis, MO 63108
(314) 367-5505

VET PROGRAM FOLLOW UP

The response to the Veterans Entrepreneur Training (VET) program thus far has been very gratifying and enlightening. From an initial pool of more than 1200 applicants, 98 were chosen and enrolled in the classroom portion of the program. While important as an initial component in the package of needs necessary to establish and operate a small business, it has been clear from the beginning and abundantly clear now, that much more than classroom training is needed to take this effort to fruition. There are numerous areas that can only be looked at in theory in the classroom. Guidance and assistance can make the difference in taking those theorys to implementation.

We have recognized a demonstrated need for more practical assistance and guidance to resources available in the community (public and otherwise) to acomplish this. There can be (& has been) enormous value derived from a focal point in the community discussing and advocating veterans in their own small business.

The community interest in veterans (Vietnam veterans in particular) has been demonstrated as we have developed our program. The steppingforward of more than 60 veterans from the private sector to assist the VVLP and the veterans in our program is but one form of evidence. The VVLP has been approached informally by persons representing 7 different educational institutions (private & public 4 year & 2 year) inquiring as to the possibility of serving as the setting for our classroom training, and other seminars for our veteran clients. Additionally interest has been forthcoming from our District S.B.A. Office, our Regional S.B.A. Veterans representative, the State of Missouri Division of Community and Economic Development, the City of St. Louis and the St. Louis County Veteran's Affairs Offices, the State of Missouri Small Business Development Centers, the St. Louis County Ecomomic Development Council, the City of St. Louis Business Development and Business Assistance Offices, the St. Louis Inventors association, the Missouri Small Business Coalition, the local S.B.A. ProcurementCenter Representatives and other private sector business professionals indicating an interest and a willingness to be of some assistance.

With these and other resources available, the missing ingredient is the one independent, identified office to bring the needs and resources together in a manner conducive to maximizing their effective usage. and also developing resources where they are not now available or not adequate to meet the demand. We propose to establish that office within the VVLP and formalize what has been to this point, a hit and miss help you when we can, given our limited time, manpower and resources.

Page 2, VET PROGRAM FOLLOW UP

The following are some of the rationale for taking this approach.

A. Aditional services and assistance are needed by our present participants.

B. A large investment of public funds is not necessary to carry the VET program to its full potential.

C. We minimize the possibility's of failure and finantial harm to participants who given only the classroom portion of the program might persue unwise business decisions and or financing for their idea.

D. The community has and will respond to a known entity providing these services, with the best interest of the veterans in mind, (the VVLP).

E. The business and public sector's have demonstrated their willingness to support, and continue to support our efforts.

F. The VVLP is not limited to an academic approach, nor is it limited to any one academic institution (we can use any or all).

G. Credit and favorable publicity will reflect the support of the S.B.A. for our program.

H. The veterans themselves respond to and identify with the VVLP.

I. We can generate considerable media support and interest in our program and the participants as well.

J. Manpower beyond that supported by S.B.A. funds, will be provided for our program, ie a VISTA Volunteer, Veteran work study students and volunteers.

K. Services can be provided to more than just the present participants.

L. Thru the use of State tax credits (we have been designated a project thru the Missouri Neighborhood Assistance Project) we can generate the necessary private sector finantial support to continue our efforts beyond the asked for support from the S.B.A.

M. The VVLP has the long term comittment, desire, resolution, independence, skills and name recognition to see this effort thru.

N. The VVLP has a low overhead cost, (we own most of our equipment, and our rent is free).

O. Thru our administrative support, many of our participants will be able to initially get their business off the ground at a lower cost.

Page 3, VET PROGRAM FOLLOW UP

As one patricipant told me, many of the vets in the program have some "unfinished business" to attend to, and the best way to do that is thru the successful implementation and operation of their own enterprise. We share this feeling as an agency and organization. Let us finish this effort.

The following services will be provided in the VET program follow up.

1. The VVLP will act as a focal point ie act as a service broker providing information, referral services, and ombudsmen assistance.

2. Will coordinate the duties of our resource advisory board and other resources including Mentoring, management assistance, procurement, technical services, loan preparation and referral, and seminars.

3. Generate media interest in the efforts of the program, and the participants and their small businesses.

4. Identify and serve as liasion to other business support groups, such as the Small Business Coalition, the Inventors Association of St. Louis, and the Enterpreneurs Association of St. Louis.

5. Establish a library of printed and resource materials available to all who inquire.

6. Provide pre program advice and assistance prior to enrollment in any of our training efforts.

7. Provide classroom training free or at low cost utalizing volunteer instructors from our board. (they presently do the same for us in our classes at the Community College).

8. Provide linkedge, when appropriate to J.T.P.A. and V.J.T.A. resources for subsidzed employees and tax credits.

9. Identify resources and establish Venture and Seed Capital funds.

10. Establish linkedges to exhisting lenders and other sources of Capital.

11. Develop a Veterans Entrepreneur news letter.

12. Arrange for discounts for services and material needs for our participants. (printing for example)

13. Identify and recognize successful participants and other Veteran entrepreneurs.

Page 4, VET PROGRAM FOLLOW UP

14. Serve as liasion to S.B.A. loan officers and Management assistance personnel, Business Development offices in St. Louis City and St. Louis County, the Small Business Development Centers, and other public and private sector resources.

15. Establish linkedges with area public and private sector small business incubators, and business service offices.

16. Provide when applicable, incubator style services out of our offices at no our low cost, especially during the formation and start up stages.

17. Organize and coordinate a private sector fund raising effort to support our efforts beyond the period of Federal support.

18. Establish linkedges to other Veterans organizations to help mobalize community support for our efforts.

The following results would be expected.

Provide assistance to the 98 present program participants. Provide assistance to an aditional 50 veteran entrepreneurs. Increase the prospects of success for those assisted.

A numerical count of services provided will be maintained for reporting requirements to the S.B.A. Veterans Office as well as other information as required.

We can with this approach, have a dramatic and long term impact on the prospects for veteran entrepreneurs in the St. Louis area. And develop the support necessary to carry this effort far beyond the initial phase of only a training program.

We hope your responce to this is favorable.

Sincerely;

William D. Elmore
Executive Director

Vietnam Veterans
LEADERSHIP PROGRAM

WEST ST. LOUIS COMMUNITY CENTER
724 N. UNION BLVD. 2ed. FLOOR
ST. LOUIS MISSOURI, 63108
(314) 367-5505

November 2, 1987

Mr. Leon J. Bechet
Deputy Director
Office of Veterans Affairs
S.B.A. 1441 L. Street, N.W. Room 414
Washington D.C. 20416

Dear Mr. Bechet:

Enclosed is our Fourth Quarter report for grant #SB-2VA-00130-0, the Missouri Veterans Entrepreneurial Development program.

These materials include standard forms #269, 270 and 272 along with other supporting documents detailing our activities.

This report contains very little information reguarding the activities of our subcontractor, the St. Louis Community College District. Upon asking for the report due to us for this past quarter, I was informed verbally that there would be no report coming to the VVLP, and that they had been told to report to the SBA Washington office.

If the status of our program reporting has been changed, please inform me of the changes, and the reasons for such changes. If it has not been changed, then the Community College is out of compliance with our contract to them, resulting in our inability to provide you all of the information necessary to evaluate and administer our program.

Please see the attached report for further information reguarding this.

Sincerely,

William D. Elmore
Executive Director

Vietnam Veterans
LEADERSHIP PROGRAM

WEST ST. LOUIS COMMUNITY CENTER
724 N. UNION BLVD. 2ed. FLOOR
ST. LOUIS MISSOURI, 63108
(314) 367-5505

GRANT #SB-2VA_00130-0

Oeriod July 1, 1987 thru September 30, 1987
4th Quarter

PROGRAM NARRA_VE;

It is presently not possible to provide detailed comparison of actual accomplishments to the estimated milestones for this quarter. This results from a lack of willingness by the St. Louis Community College (sub-contractor to the VVLP) to comply with reporting requirements as detailed in our (sub)contract and requested in writing by the VVLP (please see attached).

Our budget information is incomplete as well, I have recieved virtually none of the information I have requested, this leaves me with no choice but to provide you incomplete reports. My major points of concern with this are as follows.
1. This is a pilot effort contracted to the St. Louis VVLP "to carry out the activities set forth in Federal Assistance Application and proposal dated September 9, 1986". A part of our responsibility is to "provide program review and administrative oversight".
2. The VVLP is obligated "to maintain complete and accurate records and supporting documentation to support and facilitate any thorough finantial and or program audit. Furhter, the recipient shall be prepard to furnish such records for audit review".
To date I have received no satisfactory reason or responce as to why the Community College will not honor its contract to us and provide us the necessary reports and requests for information.

In light of this I can only give you my sense of how things are going. the participants (those attending the once a month saturday seminars) seem pleased with the actual classroom training, and we do appear to have some success stories.

The VVLP resource advisory board has developed 3 and 4 man committees to review and assist the veterans that have submitted their business plan snyopsis, this will lead to the personal assistance and mentoring portion of the program.

The VVLP is continuing to serve as a community liasion and referral service to those in the program (and others) seeking assistance, guidance and advise for their small business efforts.

In closing, let me synopsize as follows.

A. The classroom training seems to have been effective. The results have been about as we planned for, the competition to enter the program has paid dividends in the form of a feeling of team effort, pride and motivation + the networking that has developed.
B. The St. Louis Community College has not been cooperative in its relationship with the VVLP. Reports have not been timely and in most cases not submitted at all. Information requested by the VVLP has not been provided. This witholding of information has discouraged members of our voluntary resource advisory board, thereby effecting the timely development of our mentoring efforts.

C. As a result of this lack of cooperation, the VVLP cannot provide proper program review and administrative oversight necessary to ensure the operation, success and refinement of our program model. The unwillingness of the Community College District to honor our requests for fiscal information and to comply with the provisions of our (sub) contract, make it imposible, at present time, to provide any details about program expenditures and costs. This also hampers us in our efforts redesign the budget to better meet the needs of the program. This represents the downside of our efforts. My recomendation is that the S.B.A. look very closely at this portion of the program. Identify what the problems have been, how and why they occured. And look toward what can be done to anticipate and minimize these types of problems in furure duplicative efforts. If this is done, I believe we have developed the basic concept that can serve as a model in other areas of the country & other segments of the population.

SMALL BUSINESS ADMINISTRATION
KANSAS CITY REGIONAL OFFICE
911 WALNUT STREET
KANSAS CITY, MISSOURI 64106

November 24, 1987

Mr. William Elmore
Executive Director
Vietnam Veterans Leadership Program
724 No. Union Blvd., 2nd Floor
St. Louis, MO 63108

Dear Bill:

This is to inform you as Executive Director of the V.V.L.P. of St. Louis that I am recommending that the V.V.L.P. be removed from the loop of the veteran's Entrepreneurial Training Program in St. Louis. This recommendation is to be effective until the V.V.L.P. has its financial house in order, then at that time, it will be reviewed for further consideration.

I am instructing the program directors at the community college to forward their statements for collection to the Small Business Administration District Office in St. Louis. Ms. Frazier will make the decisions for payment and submit the statement to the Grants Management Office in Washington, D.C.

Sincerely,

Gene L. Anderson
Regional Veterans Affairs Officer

cc: Wm. A. Powell, Regional Administrator
Dick Ellis, Director of Veterans Affairs
Leon Bechet, Deputy Director of Veterans Affairs
Doris Copeland, Office of Grants Management
Kathy Frazier, AD/BD, St. Louis
James Lahr, Dean of Continuing Education, St. Louis Community College
Dennis Farnsworth, Co Director of the V.E.T. Program
Jane Snyder, Co Director of the V.E.T. Program
Jim Laas, ARA/BD, Kansas City, MO

Vietnam Veterans
LEADERSHIP PROGRAM

WEST ST. LOUIS COMMUNITY CENTER
724 N. UNION BLVD. 2ed. FLOOR
ST. LOUIS MISSOURI, 63108
(314) 367-5505

December 10, 1987

Mr. James K. Lahr Ed.D.
Dean, Institute for Continuing Education
P.O. Box 1500
Ballwin, Mo. 63011

Dear Dean Lahr:

We at the St. Louis V.V.L.P., wanted to send you this letter expressing our appreciation for the level of success attained in this the pilot year of the Veterans Entrepreneur Training program.

The dedication and hard work of your staff, the VVLP, the S.B.A. and our numerous volunteers have truly produced results we can all be proud of. While there have been, at times, differences expressed reguarding the program, or its operation. Ultimately the target of providing services to the veteran participants has prevailed. In this, I believe, we can all be grateful.

We look forward to participating with the Community College, the Small Business Administration and the veteran participants during the coming year(s) of our program. It might be advisable for all the principals from our various organizations, to meet in the near future to discuss year two and beyond.

Please let me know what you think.

Sincerely,

William D. Elmore
Executive Director

90-731 0 - 88 - 7

Vietnam Veterans
LEADERSHIP PROGRAM

WEST ST. LOUIS COMMUNITY CENTER
724 N. UNION BLVD. 2ed. FLOOR
ST. LOUIS MISSOURI, 63108
(314) 367-5505

January 6, 1988

Mr. Leon J. Bechet
Office of Veterans Affairs
U.S. Small Business Administration
1441 L. Street, N.W.
Washington D.C. 20416

Dear Mr. Bechet;

As a result of the November 24, 1987 letter to the VVLP from Mr. Gene Anderson, Regional Veterans Affairs Officer. It is unclear what our present or future responsibility is to the completion of the Veterans Entrepreneur Training program (VET).

Mr. Andersons letter recommended that the VVLP be removed from the loop of the VET program in St. Louis. We have received no notice from Mr. Anderson, your office or the St. Louis District SBA office, that this recomendation was implemented.

Please instruct us as to our status for the present VET program (contract ends January 13, 1988), what our reporting requirements are, if any, and our role reguarding the pending year two of the program. We do not know if we have been removed from the program entirely, or only the portion regarding the flow of money from the SBA to the Community College District.

Also we presently have $291.27 in a non interest bearing account that we believe should be returned to the SBA. This $291.27 has been in our account since we received our first reimbursement check from the SBA. It results from a difference in what we requested, compaired to what we in fact reimbursed to the Community College District (disallowed costs & reporting errors were taken into account). Please instruct us as to what to do with these funds.

On another point, we believe it is vital to the success of the VET program, for us to continue an active level of involvement not only locally but also in any replicative efforts elsewhere. The unique veteran focus and flavor would not have been there without our efforts and expertise. If you intend to continue the local effort or replicate our ideas in other areas of the country, you should strongly consider our involvement in both cases. Without the veterans, VET becomes no more than a non credit community college academic exercise.

Thank you for your consideration of these points, we await your responce.

Sincerely,

William D. Elmore
Executive Director

Vietnam Veterans
LEADERSHIP PROGRAM

WEST ST. LOUIS COMMUNITY CENTER
724 N. UNION BLVD. 2ed. FLOOR
ST. LOUIS MISSOURI, 63108
(314) 367-5505

January 22, 1988

Mr. Gene Anderson
Regional Veterans Affairs Officer
Small Business Administration
Kansas City Regional Office
911 Walnut Street
Kansas City Mo. 64106

Dear Gene:

The following is in response to your November 24, 1987 letter.

Agreement has been reached for resolution of the financial situation you referenced in your letter. While at no time, prior to resolution, did this problem imperil our successful operation of the Veterans Entrepreneur Training (VET) program, it did cause you to recomend our removal from the loop of the program, pending resolution.

I would now like to address the VET program, its origins, and the St. Louis VVLPs role in its design and development. In 1980, our staff served as researchers & contributors to "The Pechin Study", commissioned by the U.S. Small Business Administration, to identify assistance needs of veterans. In 1983 the St. Louis VVLP organized the Veterans Business Resource Council of Greater St. Louis (VBRC) with the support and assistance of the Small Business Administration. During 1984 & 1985, the VBRC organized & sponsored a series of veteran related small business seminars. On May 28, 1986 the St. Louis VVLP was approached by representatives of the S.B.A. National Office of Veterans Affairs, and asked to formulate & submit a proposal for development of a veterans small business training program here in St. Louis.

The VVLP then organized a committee, with representatives from the St. Louis VVLP, the St. Louis District office of the SBA, the City of St. Louis Office of Veterans Affairs, the State of Missouri Small Business Development Centers, and the St. Louis Community College District (JCD). From June 1986, thru January 1987, this committee continued meeting & developed the design, ranging from goals & purpose to job descriptions and the name. Without our efforts there would have been no VET program. Thru this process the three key designers were Mr. Jim Gravitt SBA VAO, Ms.Huldah Rode St. Louis Community College, and myself. The three of us thought thru, developed & designed the key aspects of our effort.

After the VVLP received final notice of the grant award, from Washington, this same committee chose the two program directors, to be hired by the JCD to implement our program. During this period Ms. Rode left the employ of the JCD. Mr. Gravitt & I then assumed the responsibility of explaining the program to the new JCD program directors, and continued our assistance as collectively we began the implementation of the program. During this time the VVLP also organized the voluntary veterans business advisory resource mentoring

page 2 continued
letter to Mr. Gene Anderson,
Regional VAO, SBA

board. From January 1987 (when JCD program Directors were hired), thru the summer, the program developed reasonably well, acomplishing much of what we set out to do, but never achieving its full potential. This was to be expected, as this was a pilot effort & we understood that.

Presently there is confusion, and little closure to our program. The status of the VVLP, as the prime contractor for the VET program is unclear (please see enclosed January 6, 1988 letter). The persons most responsible for the development and design of VET are now without input into the program. The SBA has indicated that our efforts resulted in the model program for the country, but yet we are excluded from the program locally or elsewhere. Much of this as a result of mis-information, or lack of understanding of what our problems were, and what impact (none) they had on our operation of the VET program.

We have indicated to the SBA, National and Local office's, our interest in continued participation locally & also in any replicative efforts elsewhere. As an origional author & designer of VET, I feel it is vital to continue our participation to ensure its success.

In closing, our relationship with the SBA has been a long and productive one, benefiting the SBA, the VVLP, and the veterans. I hope this letter provides you the information necessary to clear up any misunderstanding, and to finally set the record straight.

Should you need anything further, please let me know.
Until then.

Sincerely,

William D. Elmore
Executive Director

cc: Wm. A powell, Regional Administrator
Dick Ellis, Director of Veterans Affairs
Leon Bechet, Deputy Director of Veterans Affairs
Doris Copeland, Office of Grants Management
Kathy Frazier, AD/BD, St. Louis
James Lahr, Dean of Continuing Education, St. Louis Community College
Dennis Farnsworth, Co Director of the V.E.T. Program
Jane Snyder, Co Director of the V.E.T. Program
Jim Lass, ARA/BD, Kansas City Mo.
Pat Schommer, VAO City of St. Louis

SMALL BUSINESS ADMINISTRATION
KANSAS CITY REGIONAL OFFICE
911 WALNUT STREET
KANSAS CITY, MISSOURI 64106

February 1, 1988

Mr. William Elmore
Executive Director
Vietnam Veteran's Leadership Program
724 N. Union Blvd., 2nd Floor
St. Louis, Missouri 63108

Dear Bill:

I want to take this time to express my thanks for your assistance and input in the now successful V.E.T. program in St. Louis.

The program is now underway for the second time and should be even more successful in this second year. The community college has excellent leadership with Dean Lahr, Jane Snyder and Dennis Farnsworth leading the way. Dick Grote and the advisory board are also giving invaluable help again.

This has all come about with Jim Gravitt's idea and you and Huldah Rode helping to bring it to fruition. Again thank you for your help.

Sincerely,

Gene L. Anderson,
Regional Veterans Affairs Officer

cc: William A. Powell, Regional Administrator
Dick Ellis, Director of Veterans Affairs
Leon Bechet, Deputy Director of Veterans Affairs
Doris Copeland, Office of Grants Management
Kathryn Frazier, ADD/BD, St. Louis
James Lahr, Dean of Continuing Education, St. Louis Community College
Dennis Farnsworth, Co-Director of the V.E.T. Program
Jane Snyder, Co-Director of the V.E.T. Program
Jim Laas, ARA/BD, KCRO
Pat Schommer, V.A.O., City of St. Louis

Vietnam Veterans
LEADERSHIP PROGRAM

WEST ST. LOUIS COMMUNITY CENTER
724 N. UNION BLVD. 2ed. FLOOR
ST. LOUIS MISSOURI, 63108
(314) 367-5505

February 1, 1988

Mr. James K. Lahr, Ed. D.
Dean, Institute for Continuing Education and
Director, Clarkson Education Center
P.O. Box 1500
Ballwin Mo. 63011

Dear Dean Lahr;

To ensure compliance with the Sub-Contract between the St. Louis Vietnam Veterans Leadership Program, and the St. Louis Community College. (see enclosed) And to ensure proper reimbursement to the St. Louis Community College for services. Please provide the following.

A. Properly filled out Standard Forms (SF) 269,270, and 272 for each month and Quarter.

B. Documentation reguarding the $25,000 of non federal match, as required.

C. Complete listing of.1. V.E.T. participants
2. Classes registered for by participants.
3. Attendance records of participants.
4. Accounting of program payments made by participants.
5. Management skills deficiencies & profiles for each participant.
6. Copy of final business plan for each participant.

D. Monthly fiscal invoices. (January 1987 forward)

E. Monthly performance reports. (January 1987 forward)

F. Quarterly performance reports. (We have received Jan.-Feb.-Mar. 1987 and April-May-June 1987).

G. All program income as defined in Attachment D, OMB Circular A-110, reported on finantial report (SF 269).

H. Copies of reports previously requested (June 25 & August 18, 1987), and copies of any individual private consultant reports.

I. Copies of current finantial statement, copies of indirect cost proposals & agreements negotiated with other federal agencies.

Section 2., 9) of our Sub-Contract for Services states "Be responsible to the administrative component of the St. Louis VVLP for the proper operation of this program". This includes, obtaining written approval from the St. Louis VVLP, 30 days prior to any action

Vietnam Veterans
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relating to changes in project scope or objective, budget revisions, topics of training programs, and all printed materials relating to the program.

Particular attention should be paid to Section 9. This has not beem adhered to, and to Sections 4c. and 11.

A final performance report is due to the St. Louis VVLP within sixty (60) days after the end of the performance period. This report is to be prepared, in consultation with the VVLP staff.

In closing, the requests listed in this letter are required by our Contract(s). Should you have any questions reguarding this, please let me know.

Sincerely,

William D. Elmore
Executive Director St. Louis VVLP
Director, Veterans Entrepreneurial Development Project

cc: Dr. Gwendolyn W. Stephenson Vice Chancellor
Michael E. Crawford, Chancellor

Vietnam Veterans
LEADERSHIP PROGRAM

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ST. LOUIS MISSOURI, 63108
(314) 367-5505

February 8, 1988

Mr. Leon Bechet
Office of Veterans Affairs
U.S. Small Business Administration
1441 L. Street, N.W.
Washington D.C. 20416

Dear Mr. Bechet;

This letter is confirmation of our telephone conversation at 3:07 PM today, February 8, 1988.

At the request of the St. Louis Community College District, and upon your verbal approval. The St. Louis Vietnam Veterans Leadership Program issued a Check to the St. Louis Community College District totaling $22,497, for the 4th quarter services sub-contracted from Contract SB-2VA-00130-0.

Your approval was sought because the St. Louis Vietnam Veterans Leadership Program still has not received the documentation necessary for us to make this decision based on contract compliance.

Please send the St. L. VVLP your letter confirming this decision.

Thank you for your assistance in this matter.

Sincerely,

William D. Elmore
Executive Director

U.S. SMALL BUSINESS ADMINISTRATION
WASHINGTON, D.C. 20416

JUN 22 1988

The Honorable Ike Skelton
Chairman, Subcommittee on Procurement,
Innovation and Minority Enterprise
U.S. House of Representatives
2361 Rayburn House Office Building
Washington, DC 20515

Dear Mr. Chairman:

Again let me thank you for extending us the opportunity to testify before your subcommittee on May 4, 1988 concerning the Small Business Administration's programs for veterans. I welcome the opportunity to tell our story to the Congress.

You requested that I address, in writing, three areas of concern which arose at the hearing: the loan statistics presented; the St. Louis Veteran Entrepreneur Training Program; and, SBA's operating budget for veteran activity. I will address each of these items.

Loan Statistics

You asked that I clarify the loan statistic comparisons that were made in my testimony. When I compared this year's figures to date with last year's figures, I was comparing this year's figures to the loan figures for the same period during last year. Because of time constraints in preparing our testimony, we had to submit figures based on manual records. Since our testimony, we have consulted with the SBA's Comptroller and are able to submit those official Agency figures for the record now. The ratios and the program increases that we cited remain accurate with only one exception. There was not an increase of $2.2 million in Direct Loans to Vietnam veterans as stated on page three of my testimony. The following is a summary of those corrected loan statistics:

	'FY 1987 (thru 3/31)	'FY 1987 (year end)	'FY 1988 (thru 3/31)
All Guaranty Loans	7,786/$1,235,702	16,437/$2,651,505	7,698/$1,283,851
Guaranty to Viet-Vets	861/ $125,699	1,659/ $253,668	861/ $130,537
All Direct Loans	306/ $21,540	673/ $46,818	324/ $22,988
Direct to Viet-Vets	159/ $11,361	332/ $23,564	149/ $10,794

(000 omitted)
$ = SBA share

Mr. Chairman, in order to expedite our formulation of the comparative data for our testimony, we utilized the loan figures from our Agency's Management Information System printouts. I understand that these figures are adjusted, from time to time, for minor errors that find their way into the system. I am prepared to say that there are no major deviations between these figures and those maintained by our Comptroller.

The St. Louis Veteran Training Project

In testimony before this Committee, Mr. William D. Elmore of the Vietnam Veterans Leadership Program in St. Louis, Missouri made several comments about the St. Louis Veteran Entrepreneurship Training Program. I am pleased to be able to submit to you a copy of the most recent report we received from the St. Louis Community College (copy enclosed). This office has maintained very good relationships with both Mr. Elmore and the Community College. I am advised that from a legal standpoint, the Small Business Administration cannot interfere in the contractual relationship between the St. Louis Vietnam Veterans Leadership Program and the St. Louis Community College. Other than to informally attempt to resolve any differences, our official remedies are limited to cancellation of the grant should the differences between the parties jeopardize the delivery of services to the veteran beneficiaries.

I feel that it is grossly inaccurate to characterize the relationship between the VVLP and the Community College as abnormal. In a partnership of this sort between the government and the private sector, it is essential that the channels of communication remain open. In a situation such as this, we rely on the grantee to keep us informed of potential problems and, as has been the case, we have worked with all parties to maintain open communication and to resolve any anticipated problems.

Mr. Chairman, it is a blatant error to state that the St. Louis Vietnam veteran community is not supporting this project. This project has provided a model for other localities and we are considering an extension of our support for another year. We anticipate even stronger ties with the local veteran community. I sincerely hope that next year, we will be able to suggest to the Committee witnesses who will be able to provide an in-depth and unbiased presentation on the project, from which the Committee can reach a valid factual conclusion. It is also my understanding Mr. Elmore has contacted your committee staff asking to change his testimony.

Operating Budget for Veterans Affairs

The Office of Veterans Affairs (OVA) was appropriated $1.2 million for FY-87 of which $700,000 was earmarked for "veterans outreach."

Most grants, printing, contracts, and travel are considered veterans outreach since the spending is done either directly by the field or by the Central Office in support of field outreach activities.

Below is an accounting, by Object Class, of FY-87 OVA spending.

Object Class		Obligation Incurred (000)
1100/1200	Compensation/Benefits, Central Office	$264.8
	Compensation/Benefits, Regional VAO's	250.0
2100	Travel, Central Office	35.0
	Travel, Field Allotment	40.0
2400	Printing	27.2
2500	Contracts	105.6
2600	Supplies & Materials	4.8
3100	Acquisition Capital Assets, Field and Central Office	122.0
4100	Grants	288.4
Total		1,137.8

As shown by this budget breakout, two hundred fifty thousand dollars was allocated directly to the Regions for the salaries of the newly hired Regional Veteran Affairs Officers (RVAO). In addition, a $40,000 travel allotment was made by OVA to the Regions for the RVAO to use for veteran outreach.

It should also be noted that this budget break down does not include Agency spending on the veterans' program that is not part of the specific Central Office appropriation. Between ten and fifteen percent of our District Office VAO's time and funding is dedicated to veterans' outreach. These costs are part of SBA's field office budgets and are not reflected in OVA yearly spending.

I believe I have covered all the questions not fully answered during the hearing. If I have left anything out, please let me know. I will be happy to answer any further inquiries concerning SBA's veterans program.

Sincerely,

Dick E. Ellis
Director
Office of Veterans Affairs

8A CONTRACT AWARDS
10/1/86 - 3/31/87

5/12/88	NO. CONTRACTS	NET AMOUNT
	1175	$613,398,442.74
TOTAL	1175	$613,398,442.74

8A CONTRACT AWARDS
10/1/87 - 3/31/88

5/12/88	NO. CONTRACTS	NET AMOUNT
	1126	$409,189,532.12
TOTAL	1126	$409,189,532.12

8A CONTRACT AWARDS - VETERANS
10/1/86 - 3/31/87

5/12/88	NO. CONTRACTS	NET AMOUNT
	285	$134,370,095.70
TOTAL	285	$134,370,095.70

8A CONTRACT AWARDS - VETERANS
10/1/87 - 3/31/88

5/12/88	NO. CONTRACTS	NET AMOUNT
	249	$90,620,257.61
TOTAL	249	$90,620,257.61

8A CONTRACT AWARDS
FISCAL YEAR 1987

5/20/88	NO. CONTRACTS	NET AMOUNT
	4352	$2,054,504,366.28
TOTAL	4352	$2,054,504,366.28

VETERAN 8A CONTRACT AWARDS
FISCAL YEAR 1987

5/20/88	NO. CONTRACTS	NET AMOUNT
	1083	$478,793,107.71
TOTAL	1083	$478,793,107.71

HAL DIRECT/IP LOAN APPROVALS
10/1/86 - 3/31/87

5/12/88

	NO. LOANS	TOTAL AMOUNT	SBA AMOUNT
	36	$4,224,320	$4,208,820
TOTAL	36	$4,224,320	$4,208,820
	36	4,570,420	4,472,420

HAL DIRECT/IP LOAN APPROVALS
10/1/87 - 3/31/88

5/12/88

	NO. LOANS	TOTAL AMOUNT	SBA AMOUNT
	62	$5,941,190	$5,763,690
TOTAL	62	$5,941,190	$5,763,690
	62	5,984,990	5,807,490

HAL VETERAN DIRECT/IP LOAN APPROVALS
10/1/86 - 3/31/87

5/12/88

	NO. LOANS	TOTAL AMOUNT	SBA AMOUNT
	6	$474,600	$474,600
TOTAL	6	$474,600	$474,600

HAL VETERAN DIRECT/IP LOAN APPROVALS
10/1/87 - 3/31/88

5/12/88

	NO. LOANS	TOTAL AMOUNT	SBA AMOUNT
	14	$1,542,450	$1,542,450
TOTAL	14	$1,542,450	$1,542,450

HAL MINORITY DIRECT/IP LOAN APPROVALS
10/1/86 - 3/31/87

5/12/88	NO. LOANS	TOTAL AMOUNT	SBA AMOUNT
	2	$379,670	$379,670
TOTAL	2	$379,670	$379,670

HAL MINORITY DIRECT/IP LOAN APPROVALS
10/1/87 - 3/31/88

5/12/88	NO. LOANS	TOTAL AMOUNT	SBA AMOUNT
	1	$168,500	$168,500
TOTAL	1	$168,500	$168,500

HAL DIRECT LOAN APPROVALS

5/20/88	NO. LOANS	TOTAL AMOUNT	SBA AMOUNT
	93	$9,256,820	$9,241,320
TOTAL	93	$9,256,820	$9,241,320

GUARANTEE LOAN APPROVALS
10/1/86 - 3/31/87

5/12/88	NO. LOANS	TOTAL AMOUNT	SBA AMOUNT
	7824	$1,492,217,241	$1,242,978,922
TOTAL	7824	$1,492,217,241	$1,242,978,922
	[illegible]	[illegible]	[illegible]
	7996	1,484,238,515	1,235,703,520

GUARANTEE LOAN APPROVALS
10/1/87 - 3/31/88

5/12/88	NO. LOANS	TOTAL AMOUNT	SBA AMOUNT
	7698	$1,552,380,147	$1,277,119,728
TOTAL	7698	$1,552,380,147	$1,277,119,728
	7698	1,560,432,955	1,283,851,949

VETERAN GUARANTEE LOAN APPROVALS
10/1/86 - 3/31/87

5/12/88	NO. LOANS	TOTAL AMOUNT	SBA AMOUNT
	1460	$280,286,435	$227,627,943
TOTAL	1460	$280,286,435	$227,627,943

VETERAN GUARANTEE LOAN APPROVALS
10/1/87 - 3/31/88

5/12/88	NO. LOANS	TOTAL AMOUNT	SBA AMOUNT
	1332	$263,127,201	$213,280,967
TOTAL	1332	$263,127,201	$213,280,967

VIET_VETERAN GUARANTEE LOAN APPROVALS
10/1/86 - 3/31/87

5/12/88	NO. LOANS	TOTAL AMOUNT	SBA AMOUNT
	861	$155,203,032	$125,699,180
TOTAL	861	$155,203,032	$125,699,180

VIET-VETERAN GUARANTEE LOAN APPROVALS
10/1/87 - 3/31/88

5/12/88	NO. LOANS	TOTAL AMOUNT	SBA AMOUNT
	861	$159,385,089	$130,537,593
TOTAL	861	$159,385,089	$130,537,593

MINORITY VETERAN GUARANTEE LOAN APPROVALS
10/1/86 - 3/31/87

5/12/88	NO. LOANS	TOTAL AMOUNT	SBA AMOUNT
	108	$18,706,258	$15,746,072
TOTAL	108	$18,706,258	$15,746,072

MINORITY VETERAN GUARANTEE LOAN APPROVALS
10/1/87 - 3/31/88

5/12/88	NO. LOANS	TOTAL AMOUNT	SBA AMOUNT
	94	$15,569,250	$12,295,235
TOTAL	94	$15,569,250	$12,295,235

GUARANTEE LOAN APPROVALS

5/20/88	NO. LOANS	TOTAL AMOUNT	SBA AMOUNT
	16437	$3,188,361,004	$2,451,504,894
TOTAL	16437	$3,188,361,004	$2,451,504,894

GUARANTEE VETERAN LOAN APPROVALS

5/20/88	NO. LOANS	TOTAL AMOUNT	SBA AMOUNT
	2876	$569,318,898	$465,700,745
TOTAL	2876	$569,318,898	$465,700,745

GUARANTEE VIET_VETERAN LOAN APPROVALS

5/20/88	NO. LOANS	TOTAL AMOUNT	SBA AMOUNT
	1659	$312,401,722	$253,668,068
TOTAL	1659	$312,401,722	$253,668,068

GUARANTEE MINORITY VETERAN LOAN APPROVALS

5/20/88	NO. LOANS	TOTAL AMOUNT	SBA AMOUNT
	228	$40,986,632	$34,539,499
TOTAL	228	$40,986,632	$34,539,499

DIRECT/IP LOAN APPROVALS
10/1/86 - 3/31/87

5/12/88

	NO. LOANS	TOTAL AMOUNT	SBA AMOUNT
	307	$21,462,120	$21,394,870
TOTAL	307	$21,462,120	$21,394,870
	306	21,690,320	21,540,570

DIRECT/IP LOAN APPROVALS
10/1/87 - 3/31/88

5/12/88

	NO. LOANS	TOTAL AMOUNT	SBA AMOUNT
	324	$23,042,590	$22,865,090
TOTAL	324	$23,042,590	$22,865,090
	324	23,165,190	23,017,690

VETERAN DIRECT/IP LOAN APPROVALS
10/1/86 - 3/31/87

5/12/88

	NO. LOANS	TOTAL AMOUNT	SBA AMOUNT
	179	$12,473,600	$12,421,850
TOTAL	179	$12,473,600	$12,421,850

VETERAN DIRECT/IP LOAN APPROVALS
10/1/87 - 3/31/88

5/12/88

	NO. LOANS	TOTAL AMOUNT	SBA AMOUNT
	159	$11,406,250	$11,406,250
TOTAL	159	$11,406,250	$11,406,250

VIET_VETERAN DIRECT/IP LOAN APPROVALS
10/1/86 - 3/31/87

5/12/88

	NO. LOANS	TOTAL AMOUNT	SBA AMOUNT
	159	$11,413,100	$11,361,350
TOTAL	159	$11,413,100	$11,361,350

VIET-VETERAN DIRECT/IP LOAN APPROVALS
10/1/87 - 3/31/88

5/12/88

	NO. LOANS	TOTAL AMOUNT	SBA AMOUNT
	149	$10,794,050	$10,794,050
TOTAL	149	$10,794,050	$10,794,050

MINORITY VETERAN DIRECT/IP LOAN APPROVALS
10/1/86 - 3/31/87

5/12/88	NO. LOANS	TOTAL AMOUNT	SBA AMOUNT
	94	$3,562,000	$3,562,000
TOTAL	94	$3,562,000	$3,562,000

MINORITY VETERAN DIRECT/IP LOAN APPROVALS
10/1/87 - 3/31/88

5/12/88	NO. LOANS	TOTAL AMOUNT	SBA AMOUNT
	25	$1,364,900	$1,364,900
TOTAL	25	$1,364,900	$1,364,900

DIRECT LOAN APPROVALS

5/20/88	NO. LOANS	TOTAL AMOUNT	SBA AMOUNT
	673	$46,909,286	$46,818,036
TOTAL	673	$46,909,286	$46,818,036

DIRECT VETERAN LOAN APPROVALS

5/20/88	NO. LOANS	TOTAL AMOUNT	SBA AMOUNT
	366	$25,740,566	$25,688,816
TOTAL	366	$25,740,566	$25,688,816

DIRECT VIET_VETERAN LOAN APPROVALS

5/20/88	NO. LOANS	TOTAL AMOUNT	SBA AMOUNT
	332	$23,616,066	$23,564,316
TOTAL	332	$23,616,066	$23,564,316

DIRECT MINORITY VETERAN LOAN APPROVALS

5/20/88	NO. LOANS	TOTAL AMOUNT	SBA AMOUNT
	103	$6,613,900	$6,613,900
TOTAL	103	$6,613,900	$6,613,900

VETERANS ENTREPRENEURIAL TRAINING PROGRAM

ST. LOUIS, MISSOURI
1987

FINAL PERFORMANCE REPORT

St. Louis Community College
Institute for Continuing Education

Project Directors: Jane D. Snyder
Dennis G. Farnsworth
Veterans Entrepreneurial Training Program
St. Louis Community College
P.O. Box 1500
Ballwin, MO 63022-1500
(314) 394-9134

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I. OVERVIEW

VETERANS ENTREPRENEURIAL TRAINING PROGRAM

INTRODUCTION

The VET program is a cost-effective means of providing individualized training designed to meet the needs of each participant in the program. After completion of the required course, "Developing a Business Plan", the aspiring entrepreneur has to prepare a Business Plan which is critiqued to identify the need for additional course work or counseling. This process is repeated throughout the program until a successful Business Plan is developed and ready "to fly".

A candidate for this program must have made a firm commitment to establish or purchase a small business enterprise, or must presently own a small business. This individual must be comfortable charting new territory, tolerating risk, and must possess the ability to work through the detailed planning necessary for a successful business operation. Each participant must spend at least sixty hours in classes and workshops and be willing to participate in follow-up activities.

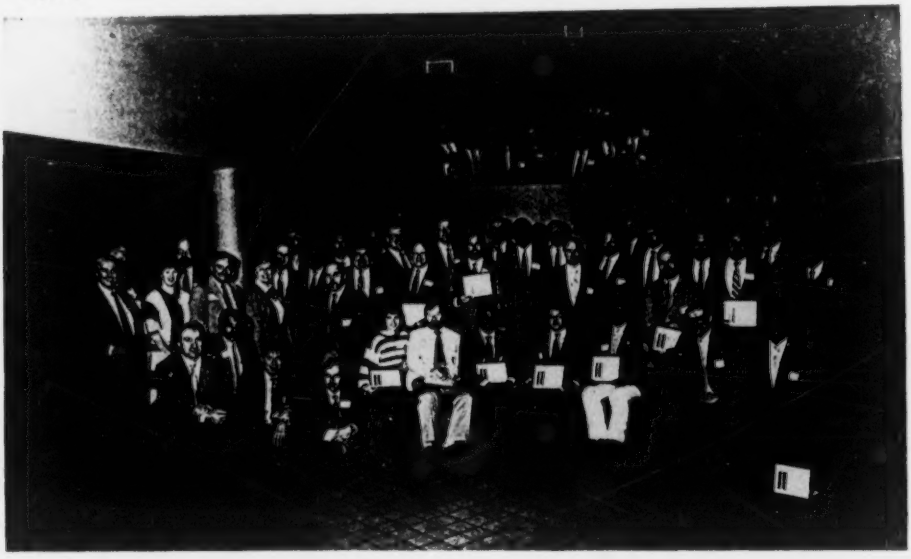
The success of the program is best illustrated in an article written by free lance writer Robin Mueller, which has been released for national publication. A copy of Ms. Mueller's article is included within this report.

GRADUATION

On November 21, 1987, a graduation luncheon was held at the Doubletree Conference Center in St. Louis for 96 veterans who had completed the Veterans Entrepreneurial Training Program. Keynote addresses were given by two program graduates: Michael L. Jones and Donald E. Bachman. Both had started small businesses during the course of the program.

At the head table were Gene Anderson, Kathryn Frazier, and James Gravitt representing the U.S. Small Business Administration; William Elmore from the Vietnam Veterans Leadership Program; Dean James Lahr, Dennis Farnsworth, and Jane Snyder from St. Louis Community College, Institute for Continuing Education; and Richard Pisani, a former U.S. Small Business Administration Small Business Advocate from the state of Missouri.

At the conclusion of the program, graduation certificates were presented by Kathryn Frazier. Many participants brought family and friends to share in the festivities. Profile of successful graduates are included within this report.



VETERANS ADVISORY BOARD

The Veterans Advisory Board includes veterans who own small businesses and advocates from the St. Louis area. The Board volunteers their time to assist in the screening of potential candidates for the VETS program. Business plans are reviewed by the group. The Advisory Board provides presenters for the monthly workshops during the course of the program. Subjects include:

"Financing a Small Business"

"Pitfalls and Pleasures of Small Business Ownership"

"Resources Available to Small Business Men and Women"

"Creative Problem Solving"

"Customer Service"

"Quality Management"

"Marketing Your Product or Service, Now and In the Future"

"Becoming a Government Contractor"

"Technological Age"

"Insurance for the Small Business"

"Loan Packaging"

"Financing a Small Business"

During the 1987 VETS Program, Advisory Board members spent over 700 volunteer hours providing various services to participants in the program.

90-731 0 - 88 - 8

IV. CURRICULUM

VETERAN'S ENTREPRENEURIAL TRAINING PROGRAM

ST. LOUIS COMMUNITY COLLEGE
INSTITUTE FOR CONTINUING EDUCATION
CLARKSON AND CLAYTON ROADS
P.O. BOX 1500
BALLWIN, MO 63022-1500

The following courses are the VETERANS ONLY classes. Required classes are: "Business Plan Development" and either "Starting a New Business" or "Managing a New Business".

"Financial Management for a Small Business" is highly recommended.

BUS:765.550	Business Plan Development Florissant Valley
BUS:765.551	Business Plan Development Florissant Valley
BUS:765.405	Business Plan Development Forest Park
BUS:765.406	Business Plan Development Forest Park
SBA:718.450	Financial Management for the Small Business Forest Park
SBA:701.405	Starting a Small Business Forest Park
SBA:702.510	Managing a Small Business Florissant Valley
SBA:718.510	Financial Management for the Small Business Florissant Valley

The following courses were offered during the Fall to participants selected in the Veterans Entrepreneurial Training Program. (* indicates sections of required courses).

BUSINESS ADMINISTRATION

BUS:724 405 Improving Customer Service and Relations
Tues 6:30-9:30pm 2 sessions 11/3-11/10 Forest Park-D-217

BUS:724 670 Improving Customer Service and Relations
Tues 6:30-9:30pm 2 sessions 10/13-10/20
Meramec--Hixson Jr. High School-Room 209--630 S. Elm, Web. Groves

BUS:724 765 Improving Customer Service and Relations
Wed 6:30-9:30pm 2 sessions 11/4--11/11
Clarkson Education Center--Lafayette High School Room 57

BUS:729 405 Understanding Patents, Trademarks and Copyrights
Th 6:30-9:30pm 2 sessions 11/5-11/12
Forest Park--Room B-219

BUS:729 550 Understanding Patents Trademarks and Copyrights
Wed 7:15-10:15pm 2 sessions 10/21-10/28
Florissant Valley--Room A235

BUS:729 610 Understanding Patents, Trademarks and Copyrights
Mon 6:30-9:30pm 2 sessions 11/16-11/23
Meramec--Clayton HS Room 123

BUS:739 405 Dealing with Difficult Employees
Th 6:30-9:30pm 1 session 11/5
Forest Park Room E219

BUS:739 550 Dealing with Difficult Employees
Tues 7:15-10:15pm 1 session 9/29
Florissant Valley Room A235

BUS:739 765 Dealing with Difficult Employees
Mon 6:30-9:30pm 1 session 10/19
Clarkson Ed. Center-Lafayette High School Room 42

MGT:724 550 Excellence in Management
Mon 7:15-9:15pm 2 sessions 11/2-11/9 Florissant Valley Rm A235

MGT:724 765 Excellence in Management
Mon 6:30-8:30pm 2 sessions 11/16-11/23
Clarkson Education Center--Lafayette High Sch Room 42

MGT:730 670 Goal Setting, The Importance of Direction in your Profession
Tues. 6:30-9:30pm 2 sessions 9/22-10/6
Meramec-Hixson Jr. HS Room 213--630 S. Elm, Webster Groves
NO CLASS 9/29

MGT:731 610 Teamwork, the Key to Staff Cooperation
Wed 6:30-9:30pm 1 session 10/7
Meramec--Clayton High School Room 2

BLW:701 405 Small Business Law
Tues 6:30-9:30pm 5 sessions 9/15-10/13 Forest Park Rm L 041

BLW:701 550 Small Business Law
Th 7:15-10:15pm 5 sessions 10/22-11/19
Florissant Valley Room A-235

BUS:708 651 Basic Law Affecting Your New Business
Tues 6-9pm 12 sessions 9/15-12/1
Meramec-Kirkwood High School Room N 158
Course materials and handouts will be furnished by the instructor.

*SBA:702 550 Managing a Small Business
Tues 7:15-10:15pm 5 sessions 11/3-11/21
Florissant Valley Room A 235

*SBA:704 405 Developing A Small Business Plan
Wed 6:30-9:30pm 5 sessions 10/21-11/8 Forest Park Rm E 219

*SBA:704 550 Developing A Small Business Plan
Mon 7:15-10:15pm 5 sessions 9/28-10/26 Florissant Valley Rm A235

SBA:729 631 Computers for Small Business
Mon 6:30-9:30pm 3 sessions 9/14-/28
South County Education Center, Mehlville High School-Room 111

SBA:731 550 Buying an Existing Business
Th 7:15-10:15pm 2 sessions 9/24-10/1 Florissant Valley A-235

SBA:731 765 Buying an Existing Business
Wed 6:30-9:30pm 2 sessions 9/23-9/30
Clarkson Education Center-Lafayette High School-Room 153

SBA:758 765 Buying a Franchise
Mon 6:30-9:30pm 1 session 11/9
Clarkson Education Center-Lafayette High School-Room 44

*SBA:759 405 Managing a Small Business Effectively
Mon 6:30-9pm 5 sessions 9/21-10/19 Forest Park-Room F 221

SBA:765 552 How to Hire for the Small Business
Mon 7:15-10:15pm 2 sessions 10/26-11/2
Florissant Valley Room A 235

SBA:765 765 Hiring and Firing for the Small Business
Mon 6:30-9:30pm 2 sessions 10/12-10/19
Clarkson Ed. Center--Lafayette High School-Room 44

*SBA:701 420 Starting a Small Business
Wed 6:30-9pm 5 sessions 9/16-10/14
Forest Park--University City High School-Room 207, Textbk optional

*SBA:701 550 Starting a Small Business
Wed 7:15-10:15pm 5 sessions 9/23-10/21 Florissant Valley-Rm A235

*SBA:701 631 Starting a Small Business
Mon 6:30-9:30pm 6 sessions 10/26-11/30
South Co. Education Center, Mehlville High School-Room 114

*SBA:701 760 Starting a Small Business
Tues 1-4pm 5 sessions 9/15-10/13 Clarkson Education Center

*SBA:702 405 Managing a Small Business
Tues 6:30-9:30pm 5 sessions 9/15-10/20 Forest Park Room T 119
NO CLASS 10/13

*SBA:704 610 Developing a Small Business Plan
Mon 6:30-9:30pm 5 sessions 10/26-11/23
Meramec--Clayton High School-Room 201

SBA:712 600 Small Business Ownership for Women
Sat 9am-3pm 1 session 10/17 Meramec Room CN126

ACCOUNTING FINANCE

ACC:702 405 Practical Accounting for the Small Business
Wed 6:30-9:30pm 6 sessions 10/7-11/11
Forest Park Room F-221

ACC:702 550 Practical Accounting for the Small Business
Th 7:30-10pm 6 sessions 9/24-10/29
Florissant Valley Room A235

ACC:702 651 Practical Accounting for the Small Business
Wed 7-9:30pm 5 sessions 9/23-10/18
Meramec--Kirkwood High School Room N253

ACC:702 670 Practical Accounting for the Small Business
Tues. 6:30-9:30pm 6 sessions 10/27-12/1
Meramec-Hixson Jr. High School-Rm 220, 630 S. Elm, Webster Groves

ACC:702 765 Practical Accounting for the Small Business
Wed 6:30-9:30pm 6 sessions 9/16-10/21
Clarkson Ed. Center--Lafayette High School Room 46

SBA:705 550 Recordkeeping for the Small Business
Tues 7:15-10:15pm 3 sessions 11/3-11/17
Florissant Valley Room A-235

SBA:718 405 Financial Analysis Plan
Thurs. 6:30-9:30pm 2 sessions 10/22-10/29, Instr. W. Berry
Forest Park Room F-221

Accounting/Finance (concluded):

SBA:718 550 Small Business Financial Management
Tues 7:15-10:15pm 2 sessions 10/27-11/3, Instr. W. Berry
Florissant Valley Room A235

SBA:737 405 Credit and Collections
Tues 6:30-9:30pm 3 sessions 10/6-10/20
Forest Park Room F 221

SBA:737 550 Credit and Collections
Mon 7:15-10:15pm 3 sessions 9/21-10/5
Florissant Valley Room A 235

MARKETING

BUS:732 631 How to Give Effective Presentations
Tues 6:30-9:30pm 2 sessions 11/24-12/1
South County Education Center--Mehlville Room 116

BUS:732 765 How to Give Effective Presentations
Mon 6:30-9:30pm 2 sessions 10/5-10/12
Clarkson Education Center-Lafayette High School, Room 57

MKT:704 620 Marketing Research and Data Analysis
Th 6:30-9:30pm 5 sessions 9/24-10/22
Meramec--Horton Watkins High School(Ladue) Room 233

MKT:707 400 Marketing Yourself
Sat 8:30am-4pm 1 session 9/19 Forest Park--Room T104

MKT:707 600 Marketing Yourself
Sat 8:30am-4pm 1 session 10/10 Meramec--Room CN 126

SBA::714 621 Managing People, It's An Art
Th 6:30-9:30pm 3 sessions 11/5-11/19
Meramec-Horton Watkins High School(Ladue)

SBA:716 400 Marketing Techniques for the Small Business
Wed 9am-12:30pm 1 session 10/14 Forest Park Room T104

SBA:719 400 Advertising and Promotion for the Small Business
Sat 9am-4pm 1 session 10/17 Forest Park Room T104

SBA:719 600 Advertising and Promotion for the Small Business
Sat 9am-3pm 1 session 9/19 Meramec Room CN126

SBA:732 600 Marketing Research Workshop
Sat 9am-4pm 1 session 10/3 Meramec Room CN126

SBA:765 551 Free Publicity for the Small Business
Th 7:15-10:15pm 1 session 10/22 Florissant Valley Rm A235

Marketing (concluded):

SBA:765 631 Free Publicity for the Small Business
Wed 6:30-9:30pm 1 session 11/4
South County Ed. Center-Mehlville High School Room 111

SBA:765 651 Free Publicity for the Small Business
Tues 6:30-9:30pm 1 session 10/6
Meramec--Kirkwood High School Room W118

SBA:765 767 Free Publicity for the Small Business
Wed 6:30-9:30pm 1 session 11/18
Clarkson Education Center--Lafayette High School Room 153

TAX SEMINARS

SBA:715 400 Small Business Tax Seminar
Th 9am-4pm 1 session 11/20 Forest Park
Fee includes refreshments, lunch and materials.

SBA:715 500 Small Business Tax Seminar
Th 9am-4pm 1 session 12/11 Florissant Valley Room A235
Fee includes refreshments, lunch and materials.

SBA:715 630 Small Business Tax Seminar
Th 9am-4pm 1 session 10/16 So. Co. Ed. Center SCEC/22
Fee includes refreshments, lunch and materials.

SBA:715 760 Small Business Tax Seminar
Th 9am-4pm 1 session Clarkson Ed. Center
Fee includes refreshments, lunch and materials.

SPECIALIZED FIELDS

SBA:733 405 Operating an At-Home Business
Sat 9am-3pm 1 session 10/17 Forest Park Room R119
Bring brown bag lunch.

SBA:733 500 Operating an At-Home Business
Sat 9am-3pm 1 session 11/7 Florissant Valley Room A235
Bring brown bag lunch

SBA:734 400 Operating a Consulting Business
Sat 9am-12noon 1 session 10/17 Forest Park Room T120

SBA:734 600 Operating a Consulting Business
Sat 9am-12noon 1 session 11/14 Meramec Room CN126

SBA:741 631 Starting a Restaurant
Sat 9am-1pm 1 session 10/3 So. Co. Ed. Center SCEC/22

Specialized Fields (concluded)

SBA:742 550 Starting a Catering Business
Sat 9am-12noon 1 session 11/14 Florissant Valley RoomA235

SBA:742 631 Starting a Catering Business
Wed 6:30-9:30pm 5 sessions 9/9-10/7 So. Co. Ed. Center
Mehlville High School Room 111
Three on-location field trips/release form required.

SBA:746 765 How to Start and Run a Travel Agency
Mon 6:30-9:30pm 3 sessions 10/19-11/2 Clarkson Ed. Center
Lafayette High School Room 55

SBA:762 405 Innovation and Small Business Creation
Tues 6:30-9:30pm 2 sessions 9/22-9/29 Forest Park Room D215

CON:704 546 Construction Estimating
Wed 7-9:45pm 15 sessions 8//26-12/16
Florissant Valley-AGCC
CE:109 or equivalent

CON:704 550 Construction Estimating
Mon 7-30-10:15pm 15 sessions 8/24-12/7
Florissant Valley-Room E117
CE:109 or equivalent

A similiar listing of individualized courses were offered during the summer.

During the 1987 Veterans Entrepreneurial Training Program over 7400 course hours were completed by 96 students.

V. ARTICLE FOR NATIONAL PUBLICATIONS

BY

ROBIN MUELLER

THE VETERAN AS ENTREPRENEUR

The following are excerpts from an article written by free-lance writer, Robin Mueller. Because this material is scheduled for Spring publication, please treat it as proprietory information, for background only.

An innovative St. Louis training program for veteran entrepreneurs with veteran mentors has broken new business and networking ground. A national program via the Small Business Administration will soon sweep the country.

"You never really know how strong your values and your mores are until you're put into a life or death situation. They've drawn on certain skills and strengths. They know self-reliance. They have a good handle on who they are. So, what do you do with that information? It influences the rest of your life,"

Pat Schommer, the Veterans' Affairs Officer of the City of St. Louis, MO., refers to the 30 million veterans in the U.S., 9 million from the Vietnam era.

The nation's collective memory has been jogged by the current rash of Platoon and other films. ("It's suddenly chic to be a Vietnam veteran," one remarks.) But those images sometimes prevent the public from realizing that the young soldiers who served in an unpopular war have grown up.

"After all, they're 41. They're not kids anymore. They're saying 'I want to do something for myself and my family,'" says the local director of the Vietnam Veterans Leadership Program, a non-profit self-help organization in St. Louis. Most believe, "We're responsible for ourselves, our success, and where we're going."

Where vets are going — particularly Vietnam era vets in the 35-45 year-old range — is into business for themselves. "We've hit a window of opportunity," says the director. "The time is right. The ages are right. Entrepreneurship, economics, self-sufficiency is what it's all about. It's what they fought about."

The Veterans Entrepreneurial Training Program, the first of its kind in the nation, was designed specifically for veterans, their survivors, or spouses who want to establish or purchase a small business enterprise, buy a franchise, or expand their present small business.

Of the 15.2 million businesses in the U.S. today, 90% are small (defined as less than 500 employees and grossing less than $17 million in revenue annually). Small business employs 55% of the total work force, 110 million workers, and has created 91% of the 14 million new jobs since 1981. Veterans own 25% of small businesses in this country, are better educated than the general population, and earn 6 1/2% more than the average worker.

Of the 20,000 new business start-ups each month, 10,000 go bankrupt or fail.

What began as an $80,000 1987 program in St. Louis, designed to help eighty veteran entrepreneurs, has evolved into a replicable program package for implementation across the nation (and, possibly, the U.S. Virgin Islands, St. Thomas, and Guam) to help thousands of veterans for years to come.

Why the hoopla? Because the first 98 graduates wrote comments like these on evaluation forms — "I want to thank whoever is responsible for giving me my life back. . ."

Dramatic stories abound. One vet, four years ago, was living under a bridge, homeless. Through help with Veterans Outreach and as a result of this training, he plans to open his own retail carpet service.

"One of my clients, who came into the Vet Center in 1980-81, was very disgruntled and disoriented," recounts John Eckhoff, County Veterans Affairs Officer. "He went through years of rap groups and counseling to find his niche. This program helped him pull it all together. It was very satisfying to see him graduate.

"A lot of the fellows we saw in the program were people we had seen at the Vets Center, who suffered the nightmares and flashbacks of delayed stress syndrome. Now one of them is starting up a consulting firm. It's a good outcome for him."

The majority of men have confronted their past; they used this program to plot their future.

The six-month intensive training program ran from June through December, 1987. It uniquely combined practical core courses like "Developing a Business Plan", "Starting a Small Business", and "Managing a Small Business" with five day-long workshops, held monthly, and conducted by fellow veterans and high-powered career volunteers, on special topics.

Additional courses on business administration, accounting/finance, marketing, tax law, and specialized fields were offered.

Networking among students and mentoring by a 60-plus member Advisory Board--most volunteer Vietnam veterans who are successful businessmen, accountants, bank presidents, and lawyers--were deliberately built into the mix.

Program directors encouraged spouse participation and support. At least 40% of vet wives attended classes with their husbands, most concentrating on the financial and bookkeeping courses

"If you want to be successful, you have to have a holistic approach," says Schommer. "One of the very important components in the program was the people themselves."

When the college ran local ads and broadcast radio spots announcing the program, all involved were stunned by a whopping 1,300 responses. (Estimates are that 110,000 Vietnam era veterans live in the St. Louis region.)

Of those, 400 people turned in completed applications, and 160 were interviewed over a two-day period in spring 1987 by different cores of three businessmen, including one financial expert. Each core was best suited to the applicant's prospective or current business.

Because of the overwhelming response, the college increased the enrollment to 100 students and course hours by more than 50%.

The real criteria for program participation was a firm plan and commitment; a sharp, targeted focus; personal resources in terms of employment and investments; a financial statement; demonstrated family support; and transferable work skills. The personal interview was well-plotted, 10 clusters on a 10-point scale, and critical.

Interestingly, all judges ranked the "winners" within a few points of each other. The final class, with no minority stipulations guiding it, had 25 black, one Hispanic, one Asian, and the majority white participants.

Of the 98 who eventually finished (only two dropped out at the beginning because of business commitments), 80 were Vietnam era vets, one was the wife of a 100% disabled Vietnam veteran, one a veteran's survivor, and 14 were disabled (not noticeably, but within government standards).

Business start-up interests included service, 53; retail, 8; manufacturing, 3; and wholesale distributorships, 2. Twenty-one class members wanted to expand their present businesses, 5 wanted to purchase an existing business, and 6 were interested in franchise purchase.

Interestingly, SBA research shows that "vets only" classes should never be held, since absenteeism swells and focus quickly shifts to vets' issues. Yet 100% of the beginning class graduated, and vets took part in 7,300 combined hours of classes.

"They were more interested in the common bond of starting a business, but the veterans' experience cemented them together," says Wayne Berry, a Marine Corps veteran, a management consultant, and an instructor of core courses. "It added a dimension of great openness. They had a built-in respect for each other. It was like a fraternity."

Every vet interviewed praised the quality, depth, and no-nonsense reality of the training, all given by current businesspeople. "They were humanitarian, hard-nosed businessmen, and they gave a good perspective," says Dennis G. Farnsworth, Program Co-Director.

"The vets didn't have to try to put their own package together--it was ready for them," says Eckhoff. "It was very flexible and had to do with the nuts and bolts, step-by-step way to set up a small business."

"I've been in vet services for 14 years and I heard a lot of 'Oh, my gosh, you've finally given us something productive and worthwhile,'" says the director of the VVLP. "The Vietnam veteran has a lot of distrust because it's hard for him to believe that anything good will come out of that experience. It's really easy to offend and to scare these guys off."

Another special source of training were "Who's Who," high-powered businessmen, who spoke at Saturday workshops. When Jane Snyder, Program Co-Director, and Farnsworth approached well-known local bank presidents, marketing directors, accountants, or lawyers for help in finding a speaker, they quickly volunteered themselves.

"The program should grow and be available in every state of the Union," says Berry passionately. "The fact that we were able to pilot it in St. Louis can show the rest of the country that the business and community aspect here is one of great giving and openness."

Support via networking was also real and not theoretical. Two photographers, one with excess space and a portraiture business, the other in need of space and wanting to pursue commercial photography, were matched up.

"Two people were in the asbestos removal business," says Schommer. "It was a perfect marriage."

"A group of six couples go out together quite often," says Snyder. "One's a psychologist, one a television repairman, another in construction, and one owns a restaurant--a very diversified group. It would not be a group you would imagine together. Yet, they're looking into pooling resources and doing redevelopment with each other."

At the graduate luncheon, participant Mike Jones said to the assembly, "Thanks for all the contacts and advice. I have more leads than I can follow up on."

While mentoring advice helped some veterans to forge ahead, other made an unusual decision on their own.

"Some have decided not to go into business," announces Jane Snyder. The dream would turn into a nightmare.

The p ogram itself will evolve. Schommer suggests "More direct assistance with venture capital to the veterans. Not all are in the position of having a bank willing to back them. We should look at their business ideas, and give them resources to let them take off and prosper. We would set up a revolving fund, invested with vets' money, to secure their survivability."

Farnsworth and Snyder have already written up a grant proposal to fund a veterans' business incubator, what they see as a natural outgrowth of the program. Entrepreneurs would be offered inexpensive space, secretarial help, a mail box number, and reproduction and telephone answering services. Later data processing, filing, accounts receivable, order taking and other basic business functions would be offered.

Individual veterans would be trained according to other vets' needs and so spin-off employment would result. "We would expect the incubator program to become self-sustaining within one year," says Farnsworth.

St. Louis Community College has been so impressed with the success of the VET program, they've asked Snyder and Farnsworth to pilot similar programs for women and minorities.

Meanwhile, the two have assembled a program package, offering on-site set-up and assistance, workshop tapes, workbooks, brochures, screening procedures, scoring forms, and graduation certificates. That package reduces the per capita training cost to under $500, compared to an existing cost of $700 for the second program now underway.

Franchise as Corporate Umbrella

Rich Camden (not his real name) flexed his first leadership muscles at age 12. As a bag boy in a grocery store, he started wearing neckties. He soon convinced the others that they would enjoy it and improve the store environment. Within a few months, he was made head bag boy.

At 18, he began work for a delivery company. His superiors so respected his enthusiasm and talents they built a warehouse for him to run at age 19—overseeing six men in their 30s and 40s.

Between 1973 and 1977, Camden served in the Air Force, at Lackland AFB, San Antonio, and Sheppart AFB, Wichita Falls, Tex. He quickly became a squadron leader.

"I attribute a lot of my leadership ability to my mom," says Camden. "She was strong, independent, and accomplished a great deal. If she had had education, there's no telling where she might have gone."

Camden has had education—including the Veteran's Entrepreneurial Training Program--and there's no telling where he might go. A former national bank examiner for the U.S. Treasury Department, he currently serves in communications for a major St. Louis-based company.

He was recently chosen to become part of a minority enterprise program, McDonald's loaning him the bulk of capital to start a franchise. "Being chosen for the vets training program gave me the confidence to write to McDonald's and to ask them to consider me," he says.

And that's just the beginning. His ultimate dream? An automotive parts store and repair garage, where customers might pay servicemen to install their new part or do it themselves, with access to necessary equipment.

"Automotive parts is a major market," says Camden. "$4 billion worth of automotive parts sold at retail each year in the U.S.! And a lot are just sitting in people's garages because they didn't have the right tools."

Camden will leave his professional position after a year's training, three nights a week, with McDonald's. "I'd never give up the McDonald's franchise. That would be my corporate umbrella." So there'll be more than one business? "Oh, absolutely," the 32-year-old replies. "I plan to bring in good people. I'll be the manager and point to the financial objectives.

"I want to establish something permanent for myself and my family. My wife knows that I've always had the ideas--solid, plausible ideas. The question was always, 'What's the process?' Now I know the final implementation, the business plan, how to approach a banker."

Camden feels extremely proud to have been one of the "Century Club" firsts in the program, although his interview was so short he was convinced he wouldn't be. "There was a real attitude of camaraderie, because you were part of a select group. And the veteran experience was a big part of the interaction, the talk. People were curious. They asked, 'What branch were you in" Where did you go?'

"But the real bond was more the business, the fact that everybody had that common will to be your own person, to have something for yourself."

Camden firmly believes the vets "who risked their lives for their country deserve that extra help--much more than they're getting." Camden never served in Vietnam. "I'm thankful I was not involved in actual combat--although I would have gone. I enjoyed talking to the Vietnam combat vets. They want to talk about it, but no one wants to hear them.

"They came back to financial problems or lost their wife through divorce or had no support or went through rough times, bad times.

The Vietnam era vets hurt the most and got the least amount of help.

"Some can't put the trauma behind them. These guys have, even though they came home to the same things, they saw the same stuff there. So I really believe they have some inner strength. They know it's time to pursue their dreams. They're at a point in their lives when they know this is the true, serious dash forward."

Camden says the program's strength was that "it was specific to small business. Everything else you take seems to be geared toward the big corporation or corporate life," he says. "Putting together a business plan is the major stepping stone. What I learned about market surveys and other information will be valuable to me for the rest of my life."

Camden was impressed by the "outstanding, fantastic" teachers, particularly Wayne Barry. "He was a businessman and a veteran and he truly wanted to help, to see us succeed. He was willing to entertain any topic the class wanted. I felt that same concern from Dennis and Jane, from everyone, really. These people were willing to give something back."

Camden's wife, placement director for a local college, first heard the radio ad and took part in initial and post-sessions. "She's a very bright woman and can easily run one of the businesses someday.," says Camden.

Though Camden did not have a mentor, he plans to help future classes in any way possible. "I want to give back. I want other vets to know about this great program. I want to say to them, 'Just try,'" he explains.

"We learned from the program that you must truly believe in what you're about to attempt," he says. "Pursue it wholeheartedly. And put together a complete picture. The program does not make it happen. The vet must make it happen. But the program provides the avenue, the platform."

Switching Percentages: Importing And Consulting

With a masters degree in sociology from Kent State University and a diversity of experiences as a program evaluator for government agencies, Mike Erbschloe, 36, has an "alter ego" that runs an import company specializing in folk art and gift items from Africa, Asia, and the Pacific Islands. The business, established in 1984, wholesales to other outlets in the Midwest, and will soon expand to distribution on the West Coast.

Erbschloe left his position of data manager and evaluator with the Voluntary Inter-District Coordinating Council of St. Louis, which oversees the public schools' desegregation program, and "expects to do consulting," he adds.

"I like to travel, I like art, especially ethnic art, and I'm also very interested in social analysis," he explains. "But for the future, I want to do the import more, 80%, and the consulting less, 20%--kind of turn the percentages around. The import business is a little more creative."

The Veterans' Entrepreneurial Training Program "helped me to decide how I wanted to structure my business, how to evaluate it financially," says Erbschloe. "It provided me the insights into techniques and profit margins. It showed me how expenses relate to the overall business.

"I concentrated on the financial, because that was the gap I had that I wanted to fill in," he explains. "The program was geared to be rather flexible so that you could get what you wanted out of it. You were able to pick from a large variety of courses."

Erbschloe's profitability has increased nearly 500% since his participation in the program--he attributes half of that success to the natural outgrowth of a three-year establishment period, and half of it to the "level of formalization and level of business insight I received in how to manage assets."

He calls himself more entrepreneurial than small business; he has no lawyer, accountant, banker, or insurance man. "But I do have a wife and she keeps me on track in a lot of areas." he adds. Carol, a psychotherapist with her own practice, did not attend any of the program courses

He adds "My business plan wasn't as complete as it could have been and the training helped me to clarify that. I developed a two to three-year action plan because of it. I'm also certain I'll incorporate my business someday, but not until it's to my advantage. Im sure a lawyer, had I asked him, would have encouraged me to incorporate so he could get a fee. These people gave you unbiased help."

He believes a great deal of the commonality felt amoung the class was because "the veteran status and veteran experience came first." A Sergeant E5, Erbschloe was in the Army between 1970 and 1973, serving the NATO Forces of Central Europe for two years, based in the Netherlands.

"A lot of the people I met in the program didn't have what you would consider 'formal business training,' but they had the ability to make money on the side and to develop extra income. Then we all became veterans and a lot of other things happened in our lives. We went out and took fulltime jobs and got benefits and careers and put other things aside. For a lot of us, this is like going back to our roots."

"There were various and different business interests represented, and the age group had a broad span. The people doing similar business found each other," he says.

Though Erbschloe didn't have a mentor, he called the networking "potentially advantageous" and says he would mentor others as the program expands.

"It's very possible that some vets will call on me or me them. I'm looking forward to more graduates in the future, so that a broader network will grow. Once you're through, you still have access--and that will be ongoing. I'm a real advocate for program continuation."

He recommends that training be expanded and diversified into different business models and that the mentoring program be implemented earlier.

Erbschloe was amazed at the great amount of truly practical information he received in a short period of time from many businesspeople. "They brought to us years of experience that we were obviously not going to be able to go out and acquire for ourselves--it would take about 180 or 200 years to do that. They've worked with the people who have succeeded and they've worked with the people who have failed.

"The main thing they ask you to put in is your time," he says. "They did a good job--an excellent job--for the first year."

Self Analysis, Contacts, and Vision

"We projected six months without income--and three without panicking," laughs Mike Jones, 42, president of Jones Management Services, established in October 1987. Jones, using his own savings to live on during his startup period, says, he "didn't have to invest in buildings, inventory, and other costs," unlike others in construction or retail.

Jones serves as regional manager for food companies wanting to expand to other mid-central U.S. markets. For a fee and commissions, he acts as broker, setting up a sales force, merchandising and marketing strategies, consumer advertising, and proper geographical percentages and pricing.

Jones learned his skills by seven years of direct selling for Carnation Company, five years with Early California foods, an olive company--"a very entrepreneurial company, with no authoritative managers"--and as food broker for a year with another national company.

His current clients include MI Mama's, Omaha-based, selling flour tortillas; C & W, from California, marketing pasta salads; Brazos Beef Emporium, from Texas, introducing a bloody mary mix; Ever Fresh, expanding its Chinese noodle outlets; and Mario Olive.

"I really feel we're ahead of others in the program," says Jones, "just because of stumbling onto an opportunity. That's part of the program, tuning you in to contacts, being able to recognize the breaks." A man in Dallas was willing to help the Jones get started in October--and so they took the plunge.

"They get you going and they kind of push you," Jones says about the Veterans' Entrepreneurial Training Program support staff. "But when I announced I was doing it, Jane wondered if we were ready. They really tend to feel somewhat responsible."

Jones praises the program for expanding his vision. "I had started out thinking the narrow picture of being a food broker in St. Louis," he says. "As I went through the courses and doing the business plan, they led me to broaden my geography. They put me in touch with independent regional managers and I saw that other people were succeeding in a broad way."

Another major boost? "Just the idea that there was unbiased help, that there was a psychological support group interested in seeing you succeed without a vested interest. It was a very honest, upfront program. No one was going to make a buck out of you," says Jones.

"And another strength was that the end was in sight when you started. It's not a long, drawn-out thing. You have the urge to get moving and you say 'Look at that agenda, it's only nine months.'

"This was grown-up stuff. The vets wanted a discussion, not a lecture. And we got it. A man would tell us, 'Here's how you talk to an accountant. If you don't like him, don't hire him.' They exposed you to everything."

The fact that the program revolved around veterans "meant the people were more outgoing, more aggressive. We had at least a similar background, a disrespect for the big organization. We had a sympathy, I guess you'd say, for each other. Two to five years of our life had been tied up in a certain area.

"The best thing that happened to me was the military" is how Jones sums up his ROTC background, pilot training in Enid, Okla., in 1968, and subsequent five years. "But there were both sets of people in the program. Some thought the country owed them something. Some guys were more militant, and wanted to be taken by the hand," says Jones.

Barbara, Jones' wife, serves as bookkeeper for the company, and was heavily involved in the program. "I was very impressed with the Saturday workshops," she says. "I'm more of a worrywart, and the classes and the people gave me confidence. They showed you how to think ahead and presented all the possible bad situations to us. And none of them sounded that hard to handle. I thought, 'I can do that.'"

The Jones were somewhat disappointed the mentoring program was not operating more fully, although they received access to a lawyer through the referral system. "I don't feel like I have to call on him right now. That square's filled. I want to be cautious, but keep moving," explains Jones.

"The mentoring and the networking, the resources are there. It's like a library. You know it's there if you need it."

Jones believes the bottom line, like any education, "is getting out of it what you put into it. The key was self-analysis. Am I really ready to do this? Do I have what it takes? Will I follow through when this happens? It just gave you a lot of perspective on yourself."

"I'm a much better giver than I am a receiver," Tom Nelson (not his real name) says. "I can't believe it when people say 'I'm going to give you something for nothing.'"

Definitions: Nelson terms the "great, excellent" Veterans Entrepreneurial Training Program education and his $5,000 worth of free consulting with business mentors "something" and his $175 for enrollment "nothing."

Nelson's two mentors, both on the Advisory Board, are Rich Pisani, president of American Marketing Group, Inc., a brokerage firm for small businesses, and Rob Harris, past president of Missouri State Bank, now a consultant. "Both of them are so open and so forthright. They've really taught me a lot," says Nelson.

He also says the class on "writing a business plan was probably one of the best courses I've taken anywhere, bar none." With an M.B.A. and a multitude of other industrial marketing courses under his belt, he's saying a lot.

"I guess I've learned that even if your numbers and your projections are good, you have to have 'flash,' for lack of a better word," Nelson explains. "A loan officer or a loan committee at a bank wants to see a lot of stuff-pictures, color, projections. These guys know nothing about the industrial field--they just look at your professionalism."

Nelson, 40, a Midwest distributor for an Eastern firm, has held various industrial management jobs for major companies and has boosted sales 500% in his present position. I'm very successful at what I do," he says. "But the reason I want my own company is that the business world is changing. Companies are cutting people out. There's no loyalty anymore."

Also intensely involved in his home church as a lay speaker and constantly missing his wife and two young children, Nelson has tired of the breakneck travel schedule he keeps.

Just recently, when their figures wouldn't jive, he and a seller called a halt to nine months of work in the leverage buy-out of a paper conversion company. Before that an owner had changed his mind about selling his company after a similar long round of negotiations.

"You have to realize that buying a company from an entrepreneur is kind of like buying his children. Actually, buying his children would be easier," laughs Nelson. "It's difficult for them. They can't let go."

Nelson and an artist partner disagreed on business principles in the early stages of a silk-screening business. Though Nelson has "lost" three out of three, he doesn't seem discouraged. Three different brokers are out scouting the field, helping him to find and buy an existing business.

"The failure rate of starting a company from scratch is very high; the percentages of failure when taking one over are very low," he explains.

"I suppose I'm used to a level of income and fixed expenses. I'm not willing to work 60 to 70 hours a week for three years at one-third of my present salary. I think that's what it takes to start from ground zero. Taking over an existing company gives you established credit, existing assets, and an immediate customer base."

Nelson was in the Air Force ROTC and served in the Reserves for six years. "I actually felt guilty about being in the program," he says. "I didn't want to take away a position from a Vietnam vet. Some of my good friends died there. Bit I didn't feel they held my Reserve status against me. In fact, being vets and telling war stories was not at all a part of the experience. We were all just taking advantage of a good opportunity."

Nelson can't say enough about the good opportunity he had. "The Saturday workshops were really great. I enjoyed them, even if they didn't apply to my field."

He especially praises the IRS whole-day seminar, which concentrated on taxes, licensing, filing, setting up social security, and finding forms. "They gave you a lot of knowledge and a lot of material in a very interesting way. They cut through a lot of the baloney."

He believes the best part of the program was "networking. Meeting the people and making the contacts was the most important thing. The more people you know in life and in business, the better you are. It just happens that way. You also have to be lucky and tenacious and confident."

He enjoyed the diverse backgrounds and economic levels of the program participants and believes that 20% will be "very successful" and another 20% "fairly successful."

With a CPA father-in-law and a wife who's a bookkeeper with a degree in marketing (she didn't participate in classes), Nelson feels fairly secure about his financial consultants. His suggestions to improve the program include more courses in finance and accounting procedures, with help in "how to read a financial statement." He's also sorry the Advisory Board was organized so late. "I wanted help in depth and sooner," he says.

Because the program offers so much, "I want to stay close to it and serve on the Advisory Board," he says. "You've got to give back. You can't just take. People are very important."

Networking Vet/Wife Team Anticipate The Future

Sherwood Sobelman, 41, says his wife, Pat, played "more than just the major role" in the Veterans Entrepreneurial Training Program. "In many cases, the women were the main ingredient and more involved than the men."

Pat, an executive secretary for Schnucks Markets, St. Louis, attended all courses, has served as secretary and bookkeeper of their company, begun July 24, 1987, and, not incidentally, has the business in her name.

"We get certain tax and government benefits by having a woman-owned business, with vet employees," says Sobelman, who works directly for Pat.

Sherwood Insulation, Inc, removes asbestos and insulates and covers pipes, concentrating on thermal and energy insulation for commercial and industrial clients. They've worked on some renovation projects in St. Louis City, though are currently based in St. Peters, Mo. They subcontract for plumbers, pipe-fitters, and heating and air conditioning contractors.

To get on bid lists, Pat works through government procurement agencies, the City and County of St. Louis, small municipalities, and with developers. "We're using every advantage through the government," says Sobelman.

The Sobelmans, married 15 years, recently hired a long-time friend as their estimator. Because Sobelmann remains a union employee, he cannot estimate. As a transitional plan, he will accept others jobs from another contractor if their business slows down during the start-up phase.

"A lot of couples went together," says Pat about the training program. "People were very supportive. One woman was going to open up a small tearoom and I helped her with her books. Generally, we met a lot of people at the workshops, and sometimes socially. Everybody had the vets' experience. We were all the same age, had kids, and wanted our businesses."

"We had always thought about starting a business, but if it hadn't been for this, we probably would have jumped in blind," says Sobelman. "Now our eyes are open. It was like someone hit me in the head with a hammer. They gave us more than enough information--and all the right information."

As a member of the International Association of Heat and Frost Insulators and Asbestos Workers, Sobelman says "I have all the confidence in the world. I've done work all over the U.S."

He earned his confidence in other ways, too. Sobelman served in the 1st Infantry Division and the 1st and 16th Ranger Battalion, "out in the jungle all the time." During his 2 1/2 years of service in Vietnam, "I got hit a couple of times," came home on crutches, and still has one piece of shrapnel in his kneecap.

Twenty years old when he returned, he found it ironic he couldn't have a drink in a bar or vote in the next election. His platoon had called their 22-year-old sergeant "the old man. We grew up in a big hurry. I was an assistant machine gunner. When the machine gunner was killed just three months later, I was an E5. That would take five years anywhere else."

Sobelman's first marriage ended in divorce shortly after his return. "Vietnam was not the best thing the U.S. got into," he says. "I know a lot of the crazies out there, who still have a rough time, who can't shake the war. I had some rough times, too." He can make jokes now about his "beat-up" Purple Heart that arrived in the mail.

"There are so many veterans who have their hands out and who want to take the easy way," Sobelman explains. "Even the ones that have been wounded--they look for the hand-outs. People give them parades and give them money for show and the vets don't want it. There are two ways to help a veteran--give them cash in their pocket and give them training."

Husband/Wife Realty Team "Gaining Ground"

"I remember everyone standing around, rapping about those damn business plans," says Donald Bachman, 41, of participants in the Veterans' Entrepreneurial Training Program. "I'd say, 'Hey, just be rough and give yourself a guideline. Make it cleaner, neater and tighter later on.'"

That's just what the Bachmans intend to do. He and his wife, Marijo, have set up their real estate franchise, hired a secretary, bought a computer, and ordered their stationery. "Nine or 10 months from now, we'll go over our business plan and reassess what we need to do," he explains.

The Bachmans have bought a franchise with REMAX, a national real estate firm that offers 100% commissions and ownership of the local business for a management fee of approximating $12,000. REMAX franchisers pay all their own expenses, but can also write them off as expenses on tax forms.

The REMAX concept, quite different from the normal policy of an agent splitting his commission with two other agents and two brokers, "offers more freedom and more incentive than the other set-up and is really geared for the agent who produces $1 1/2 million or more per year in sales," explains Bachman. REMAX owns the highest market shares in Denver, Chicago, Los Angeles, and Atlanta markets, but is relatively unknown in St. Louis.

Bachman has been in the real estate business for 11 years, principally in management. As branch manager for Laurene Davis, relocation manager for Gundaker, and in a recent position with Coldwell-Banker, he's walked the St. Louis realty ropes. "I was the manager and Marijo has really hit the streets. She's a $4 million producer," he says proudly.

Before real estate, Bachman used his bachelors in psychology and masters in counseling to work a few years for the State of Illinois' Aid to Families of Dependant Children.

And before that, from 1965-1968, he served one tour of nine months and half of another on a West Pac Cruise aircraft carrier, providing antisubmarine warfare and support service in the waters off Vietnam, the Philippines, and Japan. The Navy gave him electrical technician training.

Now the vets' program has given him the training he needs for his small business franchise. "It may be a combination," says Bachman. "The small business interest was the prime mover for us, but the veterans experience enabled us to chat, gave us that common element. I don't think I heard anybody talk about their tour. Our businesses were why we were there."

Bachman also doesn't see the program as his last training experience. "I wouldn't have minded it going another semester," he says. He's "computer ignorant," he says, and is currently taking classes on DOS and applications. "I'll take any training I need to stay on top of it. There's stuff I've got to learn and I've got to knock it off, one step at a time.

"The main benefit about taking the classes was that they enabled you to ask yourself some questions," Bachman says. "A lot of people haven't yet fully answered the questions. They wanted you to work out a business plan and a marketing plan--not just jump in with both feet and drown."

Bachman attended all the classes, but only two Saturday workshops. "We were the first ones through, and I think, the second time around, the networking will increase." He also wishes the mentoring program had been fully functioning and still looks forward to receiving that help. "I could have used the support, somebody to beat my ideas against."

Creative Interior Designer, Analytical Business Planner

Renee Celeste Flanders, 36, the daughter of World War II veteran Pete Flanders, was 16 when her father died. "I felt latently grateful to my father. He'd have been proud of my doing this. He'd have really supported me. He'd have been an entrepreneur, too," she says.

Flanders took advantage of the Veterans Entrepreneurial Training Program in order to expand her interior design business, Opus Interiors. "Opus is a Latin word meaning classicism, which is my forte," Flanders explains. "Opus, in music, means a work. I play the piano and my father was rather a famous jazz pianist in St. Louis. And Opus is also a city in ancient Greece."

The name of Flanders' business is a multi-faceted as her interests and past experiences. With a bachelors and masters of art in painting, she has worked as a studio artist, sold furniture and designed residential interiors, taught art to children, learned drafting by participating in an archeological dig in Greece and Turkey, and currently teaches period design and furnishings for St. Louis Community College, while pursuing her third degree in interior design there.

"I've always had a strong independent desire," she says. "I've always had a feeling of how I'd like to see things done. I guess I'm just such a rebel. I've had conflicts with former management in my jobs, personality problems. And you think, 'If I want to control my life, why don't I?'

"But I had no idea how to start a business. I didn't have any idea about how to set up profit margins and do pricing. I have a few clients--but it was always just for fun or part-time."

The program "made me able to focus more intensively on my business,"

Flanders says. "I have a business plan together and I think my chances of success are so much better. I picked up my stationery last week and I'm proceeding with my marketing plan."

Flanders appreciated the fact that an architect was on her interviewing panel. "I signed up for as many classes as I could and was very intensely involved for four or fine months," she recounts. "I wanted to learn all those mysterious things I didn't know about. It's so important, and I don't know where you'd pick up this stuff otherwise."

The networking was not as important for Flanders and she obviously did not swap Armed Forces stories--"I definitely think the program could work without a vets emphasis," she says.

"It was a real mixed group, and obviously I was different because of my field," says Flanders. "There was not a lot of potential there for what my market is going to be. Although many of the men asked me to call them later, when they'll be decorating their offices. My main attention, though will be residential homes in the higher price brackets.

"But I had the feeling there was a lot of camaraderie just in the fact of being an entrepreneur. The guys were anything from blue-collar to psychiatrists and I saw people sharing a lot. They'd all been frustrated in how they'd been dealt with in business."

The program teachers and seminars "were excellent. I really liked the way the whole thing was organized," says Flanders. "I think in some ways some of the men chosen weren't really ready to start a business--but they discovered that, too. If you're serious, you must write a business plan.

"They gave me the basics, a terrific framework. Now I have to put it to work," she says. "No more excuses. If you've got a good idea, if you've

got a business plan, if the time is right, if you're financially set up, if you hve a supportive family--I believe anyone can do it." Flanders married for the second time July 1987.

"It's easy to sit in classes or show up for workshops. But for those opening up more complex businesses, I think they needed more help, more time." she adds. "We need more mentors involved earlier, to cheer us on and to give us perspective on the real world."

Flanders describes her field as full of "brassy, bold and outrageous" individuals, while she sees herself as "more analytical." She also feels peers in her field are "very secretive," but that she would "absolutely volunteer to help future people in the program and to give it all back."

Air Force 'Lifer' Sets up Shop in the Caribbean

Louis Anderson, "older than 40," invested the years between his 18th and 38th birthdays in the Air Force, living in places like England, North Africa, New York, South Carolina, and Kansas. During the Vietnam era, he was "behind the lines," working with large bomber aircraft in Europe as a part of the "Cold War" troops watching Russia.

"The Vietnam vets found a different experience," Anderson says simply. "The war was not beautiful and they don't flash their ribbons. That generation of soldiers are the real people who know the devastation of atomic weapons."

Anderson says "the most peace-loving people in the world are veterans." He promotes a different kind of peace via his four-year-old business, Process Seven, which grew out of his masters degree in education/communication and a search for group dialogue.

Anderson, the owner of Process Seven, created a set of skills that teach problem-solving and interpersonal communication. Instead of using hierarchy, politics, pulling rank, manipulation, or emotional games, groups are taught instead to speak a common language and to learn a generic system of approach, one that means you "don't have to relinquish your ideas or squelch others," explains Elizabeth Bohn, his St. Louis-based partner.

While living in Albany, N.Y., as a professor, Anderson researched for seven years and then discovered a parallel process to the "organic, natural world" in communication-consisting of cooperation, mutual aid, and reciprocity. He copyrighted the process and is currently writing a broad-based manuscript. Since 1984, Process Seven has impacted drug

rehabilation groups, student/administration conflicts, county/city school desegregation issues, youth/adult groups in high schools, and business designs across the country.

Presently Anderson, his wife, Jai, and three children live on St. Thomas in the U.S. Virgin Islands, where Anderson is coordinator of business and education partnerships, under contract with the Department of Education, and is working to establish entrepreneurship programs within the school system. He also intends to set up Process Seven in the Islands as a seminar/holiday package for businesses and specialized groups.

"Vets are no-nonsense people," says Anderson. "They're not playing around. We look for Mickey Mouse and if we find him, we strangle him and throw him out."

Anderson found no trace of Mickey Mouse in the Veterans Entrepreneurial Training Program. "Most universities--and, believe me, I'm a professor, I know--are more theoretical. The VET program gave all of us practical, up-to-date information, with specific recommendations for your own needs. No one made arbitrary statements.

"Wayne Barry made the difference for me. He showed me that a business plan is not just a financial procedure, but a continuous management tool," he says. "He caused me to look at the things I had brushed aside."

Anderson applauds the efforts to unroll the program throughout the country, but cautions "don't let it go to the universities. Let the people, the businessmen who own businesses <u>today</u> teach it or you'll lose its strength. The program will die. Professors having their salaries paid and looking for tenure don't have the same urge and are not taking the same risks that businessmen do."

He also believes that spouse participation should be "mandatory. You need someone close to you to know your thoughts and to be understanding."

Anderson says the "networking worked very well," and he intends to write a letter to each vet in the directory, enclosing a brochure and inviting them to the Islands. He has some other ideas.

"I think we ought to follow up significantly," he says. "I'm willing to pay $100-200 a year to have continuous updating and assistance through a newsletter, a WATS line, an annual meeting, and matching computer programs with a mentor."

Veteran Couple Set Their Sights on Corporate Day Care-Someday

"He'll say 'Let's go do it' and I'll say 'Let's examine every angle first,'" laughs Kathleen Powell. "We're both perfectionists and we can't do it overnight. But we know it's something we can do now."

Kathleen and Steve Powell, both vets, both in the medical fields, both 34, and married four years ago, wanted to begin a day care center for "sick kids"--not the chronically ill, but the children with garden-variety flus, colds, and tummyaches that regular day care centers don't accept.

As an R.N. and a medical/surgical nursing instructor at Lutheran Hospital, St. Louis, Kathleen identified a critical need. Steven, one of eight employees of Jannx, a national firm evaluating and testing x-ray equipment in hospitals, a highly specialized field, seconded her motion. Both also wanted to slow down their fast-lane pace and spend more time with their daughter, Ann Marie, 2, as well as other "future" children.

Steve heard about the Veterans Entrepreneurial Training Program on KMOX Radio. Both had served in the Armed Forces between 1974 and 1976, Kathy in the Navy at the Great Lakes base, and Steve with the Army in Seattle. A Massachusetts native, Kathy met Steve in California. They transferred to St. Louis just 3 1/2 years ago.

She describes the program interviewing process as "exciting and scary." The interviewing team "put you right on the spot. 'Why do you want to do this? Why do you think you can?' They really made you sell yourself.

"I took all the classes and did all the work, because Steve travels extensively. I'll be running it until we make money and he can quit his job," explains Powell. "The classes were eye-opening and the instructors excellent. I took a three-day class on how to set up a day care."

She suggests more courses in service, rather than construction and retail.

"I liked the fact that we had to write up a business plan, and that we got feedback on it. Day care is a controversial issue right now, and they said, 'You've got hard work ahead.' They didn't tell us it would be easy."

When the Missouri State law changed, and their "sick day care" idea became impossible, Kathy was struck by the support her fellow veteran classmates gave her. "Several people helped me out and gave me encouragement, with all kinds of phone numbers and contacts," says Powell. "All the people there wanted to make something of themselves, which I liked."

Another major source of support was their mentor, Bill Miller, who works for McDonnell-Douglas and is an alderman in North County. "We had talked with him a couple of times on the phone and he came to our graduation," says powell. "He's going to set us up to see the McDonnell-Douglas on-site day care and help us in other ways. He's taken a lot of time with us and always says 'I'm here if you need me.' We've pretty much decided that running a corporate day care is the way to go."

Powell also praises the program for not having "a lot of typical paperwork connected to a vet service. What impressed me was the enthusiasm. The SBA was just wonderful in their teaching and in their help. All the vets—all of us—felt like we were finally being recognized in a program that helps you to connect to the really important things."

Though the Powells don't intend to begin preparation for their day care for another two or three years, they take seriously what Farnsworth said at the graduation luncheon. "'We don't want you to disappear. We want you to stay in touch,'" Powell recounts. "When we need them, as we come closer to our goal, they're there."

VETERAN'S ENTREPRENEURIAL TRAINING PROGRAM

Saturday, October 17th, 1987

St. Louis Community College at Forest Park

Mildred Bastain Theater, Room T 204

Workshop Agenda

9:30 - 10:00 Coffee

INTRODUCTIONS: Jane D. Snyder, Program Director

10:00 - 11:00 INSURANCE CONSIDERATIONS FOR THE SMALL BUSINESS

Kenneth B. Preis: has been an insurance broker with Daniel and Henry for eight years. He is currently the President of the St. Louis Chapter of Chartered Property and Casualty Underwriters.

11:00 - 12:00 LOAN PACKAGING

Robert L. Harris: is the president of R. L. Harris Enterprises, Inc., a real estate development and small business consulting entity. Mr. Harris previously was president of Missouri State Bank and the Missouri State Bank Holding Company.

12:00 - 1:00 LUNCH AND NETWORKING

1:00 - 2:30 FINANCING A SMALL BUSINESS

Moderator: Robert L. Harris

Panelists:

Thomas H. Beasley: is currently a senior loan officer with the U.S. Small Business Administration, Finance Division. Mr. Beasley has a degree in economics from Alaska Methodist University.

Ernest A. Coe: is currently the president of American Bank of St. Louis. A graduate of the University of Missouri, St. Louis, Mr. Coe has been active in banking for twenty years.

Larry N. Potashnick: is the president of Capital Performance Group, Inc., specializing in real estate transactions and merger acquisitions. A graduate of the University of Missouri, Mr. Potashnick is a CPA with ten years of public accounting experience.

2:30 - 2:45 THE STATE OF THE PROGRAM

Speaker: Dennis G. Farnsworth, Program Director

FEATURED SPEAKERS

FRANK ABSHER: Has been a broadcast journalist for over 20 years, most recently with KMOX radio. He is currently a free-lance ghost writer and Director of Marketing and Public Relations for St. Louis area Domino Pizza franchises. A Vietnam era veteran, Mr. Absher has a B.S. in Economics from Westminster College in Fulton, Missouri.

THOMAS ALLEN: Is a practicing attorney in Kirkwood, Missouri, specializing in corporate and business litigation, health care, and family law. Mr. Allen was graduated from Dartmouth College and the University of Michigan School of Law. He was a Captain in the U.S. Army in Intelligence and is the Vietnam Veterans Leadership Program liason with the Veterans Entrepreneurial Program.

THOMAS P. ERICKSON: Is a Tax Manager at Peat, Marwick, Main and Co. His experience is in tax planning for partnerships and closely held corporations. Mr. Erickson holds a B.S. degree in Accountancy from the University of Missouri, St. Louis, and is a member of the Missouri Society of Certified Public Accountants and the American Institute of Certified Public Accountants.

EDWARD J. HEJLEK: Is an attorney specializing in patent, copyright, and trademark law. He is a partner in the firm of Senniger, Powers, Leavitt, and Roedel. Mr. Hejlek received his B.S. degree in chemical engineering from Washington University and his J.D. degree from the University of Missouri, Columbia.

JOHN D. MOHL: Is currently the Director of Marketing for the YMCA of Greater St. Louis. He is a graduate of Valparaiso University with a B.S. in Business Administration in Marketing and Management.

JOSEPH W. MOONEY: Is a tax and corporate partner with Kaveney, Beach, Russell, Bond, Mittleman, Ullom, Weinstein and Burcke. Mr. Mooney has a B.S. and M.S. from St. Louis University, an M.A. degree from Northeast Missouri State University, a J.D. degree from Columbia Law School, and a L.L.M. in taxation from Washington University. He is also a CPA and a Vietnam Veteran.

DAVID R. RINGLE: Is the principal of David R. Ringle/Assoc., specializing in Commercial and Industrial Marketing in Belleville, Illinois.

VETERAN'S ENTREPRENEURIAL TRAINING PROGRAM

Saturday, August 15th, 1987

St. Louis Community College at Forest Park

Mildred Bastain Theater, Room T 204

Workshop Agenda

9:30 - 10:00 Coffee

10:00 - 10.20 INTRODUCTIONS: Jane D. Snyder, Program Director

Leon Bechet, Deputy Director of Veterans' Affairs, U.S. Small Business Administration, Washington, D.C.

10:20 - 12:00 LEGAL ISSUES FOR SMALL BUSINESS

Panel Participants:
Thomas E. Allen, Attorney at Law
Thomas P. Erickson, C.P.A.
Edward J. Hejlek, Attorney at Law
Joseph W. Mooney, Attorney at Law

12:00 - 1:00 LUNCH AND NETWORKING

1:00 - 2:00 MARKETING YOUR PRODUCT OR SERVICE, NOW AND IN THE FUTURE.

Moderator: Frank Absher
Panel Members:
John D. Mohl
David R. Ringle

2.00 - 2:15 STATE OF THE PROGRAM

Speaker: Dennis G. Farnsworth, Program Director

VETERAN'S ENTREPRENEURIAL TRAINING PROGRAM

Saturday, July 18th, 1987

St. Louis Community College at Forest Park

Mildred Bastain Theater, Room T 204

Workshop Agenda

9:30 - 10:00 Coffee

10:00 - 11:00 CREATIVE PROBLEM SOLVING
Speaker: William H. Higgenbotham

Formerly vice president of Industrial Relations of Century Electric Company, Mr. Higgenbotham is a Certified Management Consultant through the Institute of Management Consultants. He has served on the faculty of St. Louis University, Southern Illinois University, and the Creative Education Foundation Annual Institute in Buffalo, New York. He currently writes for the *St. Louis Business Journal*.

11:00 - 12:00 CUSTOMER SERVICE
Speaker: Florence R. Saeger

Ms. Saeger is a Consumer Relations Specialist at Barnes Hospital, acting as an internal consultant to upper level management and program directors. She plans service strategy to make Barnes Hospital a more consumer sensitive environment. Ms. Saeger holds a B.S. degree in Education specializing in adult education and communications. She is a member of the American Society of Training and Development and the American Society of Health Care Education and Training.

12:00 - 1:00 LUNCH AND NETWORKING

1:00 - 2:00 QUALITY MANAGEMENT
Speaker: Dr. Robert Deufel

Dr. Deufel holds a doctorate in bacteriology and biochemistry from the University of Illinois and has been chairman of the St. Louis section of the American Society for Quality Control for the past two years. Over the past three years, he has worked primarily with a steadily growing list of small, privately owned companies. His company, Deufel and Associates, is a firm specializing in the development of management of quality systems and training in quality improvement and statistical quality and process control.

2:00 - 2:15 STATE OF THE PROGRAM
Speaker: Dennis G. Farnsworth, Program Director

VETERAN'S ENTREPRENEURIAL TRAINING PROGRAM

Saturday, June 20th, 1987

St. Louis Community College at Forest Park

Workshop Agenda

9:30 - 10:00 Coffee

10:00 - 10:45 Welcome to Participants

Moderator: Kathryn Frazier, Assistant Director, Business Development, U.S. SBA

- Robert L. Andrews, District Director, U.S. SBA
- Richard T. Grote, VET Resource Board
- Gene Anderson, Regional Veteran's Affairs Officer, U.S. SBA
- Dennis G. Farnsworth, St. Louis Community College Program Director

10:45 - 12:00 Panel of Entrepreneurs: Pitfalls and Pleasures of Small Business Ownership

Moderator: Jane D. Snyder, St. Louis Community College, Program Director

- Reuben Anderson, Andy's Seasonings
- James R. Cobb, Kwik Kopy and Deck the Walls
- Dennis Hogan, formerly, Captain Video, currently, Movies on Wheels
- Nickolas Karakas, Marcus Distributors

Luncheon

1:00 - 2:15 Resources Available to Small Business Men and Women

Moderator: William Elmore, Director, Vietnam Veteran's Leadership Program

- Colin W. Stahlhut, Regional Commerce and Growth Association
- John Watson, Missouri Department of Economic Development
- Leslie L. Fritzsche, St. Louis City, Office of Business Development
- James C. Gravitt, Business Management Specialist, U.S. SBA

FEATURED SPEAKERS

GENE ANDERSON: Mr. Anderson is the recently appointed Regional Veteran's Affairs Officer for the U.S. Small Business Administration. He is headquartered in Kansas City.

REUBAN ANDERSON: Mr. Anderson is the president of ANDY'S SEASONINGS INC., established in 1982. The company specializes in manufacturing fine food products. Mr. Anderson was formerly a production planner at McDonnell Douglas.

ROBERT L. ANDREWS: Mr. Andrews is the District Director, U.S. Small Business Administration, St. Louis District Office. He is responsible for the Business Developement, Finance, Legal, Minority Small Business and Portfolio Management divisions. He was formerly employed by Ralston Purina.

JAMES R. COBB: Mr. Cobb is president and owner of KWIK KOPY PRINTING, Creve Coeur, Missouri, and president and owner of DECK THE WALLS, St. Louis Union Station, St. Louis, Missouri. Prior to opening his first franchise in 1982, he worked for a large publishing company, an automobile dealership, the Department of Transportation, and the Department of Defense. He is a disabled veteran who served in Vietnam in 1967-1968.

WILLIAM D. ELMORE: Mr. Elmore is the Executive Director of the Vietnam Veteran's Leadership Program. He has 13 years of experience in counseling and program design and operation for veteran's programs. He is one of the original designers of the Veteran's Administration Outreach Operation. 1984 Veteran's Advocate of the Year, a SBA award.

DENNIS G. FARNSWORTH: Mr. Farnsworth is with St. Louis Community College, Institute for Continuing Education. Principal Consultant: Product Manufacturing, Business Development. He has been granted various patents for products and processes, and has been a manufacturing consultant to the Department of Defense.

KATHRYN L. FRAZIER: Ms. Frazier is Assistant District Director of Business Development for the U.S. Small Business Administration in the St. Louis District Office, serving eastern Missouri. She is project officer for Missouri Small Business Development Centers, District Woman Business Ownership Program, Service Corps of Retired Executive and Small Business Institute.

Featured Speakers (continued)

LESLIE L. FRITZSCHE: Ms. Fritzsche is an Account Executive for the Office of Business Devlopment for the City of St. Louis.

JAMES C. GRAVITT: Mr. Gravitt is a Business Management specialist with the Small Business Administration. In addition to working with resources for Small Business, he is also the Veteran's Affairs Officer in Eastern Missouri. He has experience in management skills training, university teaching and development of productivity improvement programs.

RICHARD T. GROTE: Mr. Grote is the President of GROTE FINANCIAL FUTURES, a financial forecasting and advisory company. Grote Financial forecasts foreign exchange and interest rates and advises multinational corporations and banks, as well as managing a variety of funds. Mr. Grote was instrumental in creating the Veteran's Entrepreneurial Training Program Advisory Board. He has received awards for his work in this area.

DENNIS HOGAN: Mr. Hogan is president and CEO of MOVIES ON WHEELS, a video home delivery service. He was formerly president and spokesperson for the chain of retail stores known as CAPTAIN VIDEO.

NICHOLS KARAKAS: Mr. Karakas is President of MARCUS DISTRIBUTORS, the foremost wholesale distributors of tobacco, confectionary and grocery products in the St. Louis area for 50 years. He is the former president and past chairman of the National Association of Tobacco Distributors. He was presented with the 1986 R.J. Reynolds Leadership award and the 1985 R.C.G.A. Pacesetter Award.

JANE D. SNYDER: Ms. Snyder is an employee of St. Louis Community College, Institute for Continuing Education. She has an M.A. degree in Counseling, as well as an MBA degree. For eight years she was the co-owner and operator of a small business.

COLIN W. STAHLHUT: Mr. Stahlhut is the Director of the Small Business Council, St. Louis Regional Commerce and Growth Association. The Council hosts several monthly education programs and seminars through five area councils, provides publications to assist start-up and growth businesses, and sponsors monthly "Business After Hours" receptions - the St. Louis Area's largest networking events.

JOHN WATSON: Mr. Watson is the Small Business Coordinator of the Missouri Department of Economic Development. He is here from Jefferson City.

Veteran's Entrepreneurial Training Program Directory 1987

LOUIS D. ANDERSON
7945 Hardscrapple Drive, St. Louis, MO 63123 314-849-5313
Business: PROCESS SEVEN, P. O. Box 23953, St. Louis, MO 63119 314-849-5313
Description: PROCESS SEVEN is dedicated to using seminars and workshops for teaching a new set of skills for the application and creation of a synergistic approach to interpersonal communication problem prevention and solution.

NORMAN D. ANDREWS, JR.
10861 Dittmer-Catawissa Road, Catawissa, MO 63015 314-285-3867
Business:
Description: Independent Medical Sales Rep. Manufacturer of medical products.

DONALD E. BACHMAN
955 Glenmoor Lane, Glendale, MO 63122 314-821-9390
Business: RE/MAX CENTRAL INC., 4378 Lindell Blvd, St. Louis, MO 63108 314-533-7100
Description: Real Estate Franchise Sales

LARRY R. BALLARD
RR 3 Box 267-B, Litchfield, IL 62056 217-324-6237
Business: GREY MANUFACTURING, RR 3 Box 267-B, Litchfield, IL 62056 217-324-6237
Description: (SIC 344) Mail box supports.

ALAN O. BARKER
148 N. Channing, St. Louis, MO 63103 314-533-1118
Business: GENESIS SECURITY CORPORATION, 148 N. Channing, St. Louis, MO 63103 314-533-1118
Description: Protection and investigation services. The type of security service, and the degree of application, is dependent on the specific needs and problems of the entity being served.

FRANK BARRETT
1232 Dillon Drive, St. Louis, MO 63104 314-231-2925
Business: Spray Master, 1232 Dillon Drive, St. Louis, MO 63104
Description: Insecticide company — specialization in cockroach elimination.

ROBERT BONNER, JR
904 Clayworth, Manchester, MO 63011 314-343-1385
Business:
Description:

JOANN BOYD
9431 Jennings Street, Jennings, MO 63136, 314-867-1056
Business:
Description:

JAMES W. BUDDE
626 East 8th Street, Alton, IL 62002 618-462-8198
Business: MOONDOGGIE SURFWEAR, INC., 626 East 8th Street, Alton, IL 62002
Description: Surfwear and skateboard clothing for children, ages 1-14. I have a distributorship for MOONDOGGIE SURFWEAR, INC.

MICHAEL P. CHERRY
312 St. Leonard, Cahokia, IL 62206 618-337-4396
Business: CHERRY'S LAZER PRINTIG, 312 St. Leonard, Cahokia, IL 62206 618-337-4396
Description: Printing offset/letterpress/computer typesetting.

ROMAN L. CHOMSKIS
11621 Francetta Lane, St. Louis, MO 63138-1719 314-741-3672
Business:
Description: Restaurant.

MICHAEL G. CLEVELAND
739 Ponce, St. Louis, MO 63147 314-385-3745
Business: UNITY CARPET & FLOORCARE, 739 Ponce, St. Louis, MO 63147
Description: Carpet cleaning and general maintenance of carpet, residential and commercial, long-term plans. Floor care hardwood tile and etc.

JAMES E. CONEY
711 S. 47 Street, Centreville, IL 62207 314-337-2568
Business: LAUNDRA-MART, not certain
Description: Combination laundramat, Quick-Mart

DAVID J. CORDES
3815 Greengrass Drive, Florissant, MO 63033 314-921-0614
Business: D. J. CORDES, P. O. Box 2343, Florissant, MO 63032-2343 618-931-0600
Description: We develop and market software for the Atari ST Computers.

JAMES COVINGTON
1100 St. Anthony, Florissant, MO 63033 314-839-1861
Business:
Description:

WILLIAM L. CRAWFORD
#7 Claim Jumper, St. Peters, MO 63376 314-441-4199
Business:
Description:

FRANK L. CUSHING
745 Millwood Drive, St. Charles, MO 63303 314-441-1984
Business: FIRST EDITION VIDEO, P. O. Box 6114, St. Charles, MO 63302 314-723-7109
Description: FIRST EDITION VIDEO is an independent video production company specializing in the production of training materials and instructional videos for any industry.

JOHN DAWSON
7233 Meriwether Court, Barnhart, MO 63012 314-464-0865
Business: JOHN DAWSON & ASSOCIATES, 7233 Meriwether Court, Barnhart, MO 63012 314-464-0865
Description: Architectural building permit plans/illustrations and renderings, drafting product design furniture millwork drawings, etc.

JOSEPH M. DIX
1707 Stemwood, Fenton, MO 63026 314-343-7071
Business: DIX CORPORATION, P. O. Box 390, Fenton, MO 63026
Description: Basement waterproofing

Business: AUDIO VISIONS, 12124 Olive, Creve Coeur, MO 63141
Description: Sale of home stereo, car stereo, video, and audio video systems

BRADLEY E. DRURY
6629 Washington Avenue, University City, MO 63130
Business: BRADLEY E. DRURY PRODUCTIONS, P. O. Box 3022, University City, MO 63130 314-889-6612
Description: A: Retail gourmet ice cream business
B: Video production services: production and post-production service and construction

CHARLES F. (CHUCK) EISENBERG
14206 Rainy Lake Drive, Chesterfield, MO 63017 314-576-0991
Business: Still in planning stage.
Description: Direct mail marketing program.

MICHAEL R. ERBSCHLOE
13453 Woodstile Court, St. Louis, MO 63128 314-849-5829
Business: AFRICAN ASIAN & PACIFIC IMPORTS, LTD., 13453 Woodstile Court, St. Louis, MO 63128 314-432-0079
Description: Import and sale of folk art, ethnic jewelry and collectibles, gift ware.

RENEE CELESTE FLANDERS
6128 Westminster Place, St. Louis, MO 63112 314-721-5205
Business: OPUS INTERIORS, 6128 Westminister Place, St. Louis, MO 63112 314-721-5205
Description: Residential and Commercial Interior Design

BLAKE FRANKE
1775 Edgebriar, St. Louis, MO 63138 314-741-6161
Business:
Description:

CHARLES L. GANG
10822 Antrill Drive, St. Louis, MO 63123 314-487-7528
Business: CG LOCK AND KEY COMPANY, 10822 Antrill Drive, St. Louis, MO 63123 314-263-8298
Description: Locksmith and tool sharpening services.

ARNULFO S. GARZA
2853 Marble Springs Road, Barnhart, MO 63012 314-479-5043
Business:
Description: Mexican Restaurant

DAVID A. GEORGE
3918 Bellvue Drive, St. Charles, MO 63303 314-447-8508
Business: ALL SEASONS CLIMATE CONTROL, 3918 Bellvue Drive, St. Charles, MO 63303 314-447-8508
Description: Heating, air conditioning, refrigeration.

DANIEL R. GIBBS
423 Scheel Street, Belleville, IL 62220 618-277-4770
Business: THE AMERICAN DREAM, 423 Scheel Street, Belleville, IL 62220 618-277-4770
Description: Home Improvement

CARL E. GUSTAVSEN
15542 Century Lake Drive, Chesterfield, MO 63017 314-537-0357
Business: SHELTERED CARE MANAGEMENT SYSTEMS, Carl E. Gustavsen/Peter K. Dabinett & Associates Owner-Developer, 15542 Century Lake Drive, Chesterfield, MO 63017
Description: Retirement living offering 96, plus, homes with attached garage in an adult community with related support systems, facilities, site improvements, and a "Voice of Help" system in each home.

LARRY J. HUBER
3179 Donnycave Lane, Maryland Heights, MO 63043 314-291-0010
Business: WESTLAKE MOTOR COMPANY, 3732 McKelvey Road, Bridgeton, MO 63044 314-739-2444
Description: Automobile and truck repair, specializing in major engine repair, computerized systems, heating and air conditioning and wiring and electrical systems.

DAVID JARVIS
1664 San Simeon Way, Fenton, MO 63026 314-343-7597
Business: QUALITY MANUFACTURING, INC., 1664 San Simeon Way, Fenton, MO 63026 314-263-4900
Description: Small manufacturer.

ANDREW JEFFERSON
8305 Hastings, Cool Valley, MO 63121 314-629-0273
Business:
Description:

LARRY JOHNSON, SR.
R. 1, Box 177A, Lonedell, MO 63060 314-629-0273
Business: JOHNSON'S IRON ERECTORS, INC., R. 1, Box 177-A, Lonedell, MO 63060 314-677-0503
Description: Construction-Subcontractor: We only employ union iron workers and only do work that comes under iron workers jurisdiction. (Structural steel and rebar erection, welding, decking, riggers, bridges, box culverts.)

MICHAEL L. JONES
2022 Castlebar Drive, St. Louis, MO 63146 314-878-8199
Business:
Description: Grocery-marketing and sales management.

NORBERT KAUL
10058 Bauer Road, St. Louis, MO 63128 314-843-0651
Business:
Description:

HORACE S. KEMP, JR.
1732 Emery Drive, Dellwood, MO 63136 314-869-6936
Business: EAGLE MANUFACTURING, 6510 Page Avenue, St. Louis, MO 63133
Description: Welding fabrication and repair. Primarily engaged in manufacturing industrial trucks.

DANNY KLECKA
3379 Marbury Drive, P. O. Box 29856, St. Louis, MO 63129 314-894-1223
Business: TEMP TECH, INC, P. O. Box 29856, St. Louis, MO 63129
Description: Heating and air conditioning repair.

RICHARD E. KREIENHEDER
9868 C. Breeds Hill Drive, St. Louis, MO 63123 314-631-8991
Business: LAND CARE, 9868 C Breeds Hill Drive, St. Louis, MO 63123
Description: Land-care landscaping company

RICHARD N. KUHN
1504 Farmview, St. Louis, MO 63138 314-741-1603
Business:
Description:

HOWARD L. LEVITAN
1110 Indian Circle, Apt., St. Louis, MO 63132 314-997-0219
Business: PRACTICE ENHANCEMENT, Suite 310, 555 N. New Ballas Rd., St. Louis, MO 63141 314-997-0219
Description: Practice Enhancement provides a totally integrated marketing program. Our services include surveys, market assessment, design and production of promotional material, printing and mail distribution.

JERRY A. LEWIS, SR.
5343 Vernon, St. Louis, MO 63112 314-367-7073
Business: ARVEL'S, 5343 Vernon, St. Louis, MO 63112 314-652-6046
Description: Family style restaurant.

RAY LOEHR
1243-D Orchard Village Lane, Manchester, MO 63021 314-391-6357
Business: INERACTIVE SOFTWARE, 1243 D. Orchard Village Lane, Manchester, MO 63021 314-391-6357
Description: Data processing, training, consulting, software development.

JOE L. LOVELESS
2406 Cleveland Avenue, East St. Louis, IL 62205 618-875-4331
Business: 2406 Cleveland Avenue, East St. Louis, IL 62205 618-875-4331
Description: Office automation—will analyze your office procedures; identify areas where automation would provide a more efficient operation; lease/purchase required system; train your office personnel.

JOH TEK LUM
9378 Olive Blvd, St. Louis, MO 63132 314-771-6080
Business: VNK, 9378 Olive Blvd, St. Louis, MO 63132 314-991-0427
Description: 1. Psychiatric practice
2. Fast foods, oriental with delivery service or drug store.

TERRY D. MACZURA
13 Wagon Wheel Court, Collinsville, IL 62234 618-345-5494
Business: MACZURA PHOTOGRAPHY, 501 First Capitol Drive, Suite 5, St. Charles, MO 63301 314-947-1944
Description: Photography-Portrait/wedding, commercial, audio-visual, industrial, small product/brochures/catalogues/advertising. Maczura Photography is distinctly unique and offers extraordinary and creative photographs for our clients, personally or commercially.

THOMAS F. MADDEN
3 Toulon Court, Belleville, IL 62221 314-277-1804
Business:
Description:

JAMES D. MAHAFFEY
608 W. Capri Drive, Bonne Terr, MO 63628 1-562-7835
Business: SAFE-SIDE ASBESTOS REMOVAL, INC., 608 W. Capri Drive (T.D.L.), Bonne Terre, MO 63628 1-562-7835
Description: Asbestos removal (abatement)

STEVEN W. MARSDEN
409 Tiffin, Ferguson, MO 63135 314-524-4664
Business:
Description: Full service station

EDWARD G. MARTEN
12385 Dunedin #1, St. Louis, MO 63146 314-878-5286
Business:
Description:

DANIEL J. MCCARTHY (Joe)
1103 Crested View, St. Louis, MO 63146 314-432-3026
Business:
Description:

MICHAEL R. MCLAUGHLIN
312 Laduemont, St. Louis, MO 63141 314-878-5286
Business: VIMEX LTD., 555 N. New Ballas Road, Suite 310, St. Louis, MO 63141
Description: Import, export sales company

BRUCE B. MCWILLIAMS
#8 Rainsfield Court, Manchester, MO 63021 314-227-2333
Business:
Description:

DAVID B. MERCER
5526 Lansdowne, St. Louis, MO 63109 314-351-9098
Business: MERCER'S BUILDING SERVICE, 5526 Lansdowne, St. Louis, MO 63109 314-351-9098
Description: Mercer's Building Service offers complete janitorial services, grounds maintenance to commercial buildings in St. Louis and St. Louis County.

MICHAEL S. MERRIOTT
11256 St. Clement, St. Ann, MO 63074 314-423-0466
Business: DIVISION 4, 11256 St. Clement, St. Ann, MO 63074 314-423-0466
Description: Bricklaying

ALFRED L. MILLER
P.O. Box 14273, St. Louis, MO 63178 314-652-3747
Business: CENTRAL CITY SPIRITS & SUNDRIES, 2820 N. Vandeventer Avenue, St. Louis, MO 314-652-3747
Description: Retail package liquor and sundries

ALAN GEORGE MILLER
2514 Dimus Drive, Fenton, MO 63026 314-225-7279
Business:
Description:

WILLIAM MONROE, JR.
4001 Colonial, St. Louis, MO 63121 314-389-3491
Business:
Description:

JOSEPH MOORE
3969 Sullivan, St. Louis, MO 63107 314-652-0915
Business:
Description:

NORRIS MOORE
4320 Melba Place, Northwoods, MO 63121 314-389-2079
Business: OMNI, 3536 North Newstead, St. Louis, MO 314-531-7288
Description: Barber and beauty salon

ROBERT J. MUTSU, JR.
4980 Mardell, St. Louis, MO 63109 314-353-2953
Business: SHARK INSTALLATIONS CO., P.O. Box 6541, St. Louis, MO 63125 314-353-2953
Description: Installation of alarm systems, including fire, burglary, card access, cameras, etc.

HUGH W. NABORS
1221 Mackay, St. Louis, MO 63104 314-773-8712
Business: HUGH NABORS ASSOCIATES, 1221 Mackay, St. Louis, MO 63104 314-773-6260
Description: Sales and service of a network of electronic controls that uses existing wiring for building automation.

KENNETH M. NORMAN
4103a St. Louis Avenue, St. Louis, MO 63115 314-652-6563
Business: KENNETHS' CONV. AND DELI., 4101 St. Louis Avenue, St. Louis, MO 63115 314-652-6563
Description: Conv. store and deli. specializing in smoked meats

DARRON R. PERKINS
910 North 71st Street, East St. Louis, IL 62203 618-397-3857
Business:
Description:

JOHN POWELL
4515 Wichita, St. Louis, MO 63110 314-652-6357
Business: POWELL AND SON'S TRUCKING, 4515 Wichita, St. Louis, MO 63110 314-895-9240
Description: Trucking business specializing in delivery of furniture and other dry goods, operating within local metropolitan area.

KATHLEEN POWELL
STEVEN W. POWELL
10 Kanyuck Court, Fenton, MO 63026 314-225-9511
Business:
Description: Day care center

EILEEN B. REEDER
1350 Spring Valley, Florissant, MO 63033 314-837-5725
Business:
Description:

JAMES W. RICE
DARLENE RICE
Two New Melle Woods Drive, Wentzville, MO 63385 314-828-4516
Business:
Description: Real estate/development

RANDALL O. RICHARDS
326 Central Place, Kirkwood, MO 63122 314-822-0230
Business: RAVAN CREATIVE
Description: Commercial photography and graphic design.

LARRY W. ROSS
280 Sherwood, Glen Carbon, IL 62034 618-288-5921
Business: ALPINE LAUNDRY
Description: Coin operated laundromat and laundry service

ROBERT L. SEILER
2423 Spencer, Overland, MO 63114 314-427-5768
Business:
Description: Welding service

THOMAS V. SINOPOLE
3243 Morganford Street, St. Louis, MO 63116 314-664-2792
Business: SINOPOLE FLOORING (location pending)
Description: Plan to open a retail carpet service. First quality flooring and installation.

DONALD G. SMITH
11867 Beckett Falls, Blackjack, MO 63033 314-741-2745
Business: SERVICE MASTERS, 11867 Beckett Falls, Blackjack, MO 63033 314-741-2745
Description: Janitorial

SHERWOOD SOBELMAN
82 Spencer Trail, St. Peters, MO 63376 314-441-3875
Business: SHERWOOD INSULATION, 82 Spencer Trail, St. Peters, MO 63376 314-441-3302
Description: Commercial and industrial insulation (i.e. pipes, tanks, boilers and ductwork) and asbestos removal.

LARRY TAYLOR
2590 Woodsage, Florissant, MO 63033 314-831-3855
Business: SUPER SAVERS SHOPPERS HELPER/COUPON CLEARING HOUSE, 2590 Woodsage, Florissant, MO 63033 831-9002
Description: Coupon/direct mail advertising from development to mailbox or preprinted coupons for insertion and distribution.

FRANK L. THEIS
15 North 28th Street, Belleville, IL 62223 618-277-5215
Business: DESIGN AIR, INC., 519 S. High Street (rear), Belleville, IL 82221 816-233-8487
Description: Heating, air conditioning and sheet metal contractor.

BEN TRENT, JR.
19 Pinehurst Court, St. Peters, MO 63376 314-928-6249
Business: TRENT'S SMALL PACKAGE DELIVERY SERVICE, 19 Pinehurst Court, St. Peters, MO 63376 314-928-6249
Description: Package and correspondence—night and weekend quick delivery service.

FRANK E. VANBREUSEGEN
P. O. Box 2146, Florissant, MO 63032 314-837-3200
Business: ZIP-RX
Description: Home health care-prescription and support needs.

JAMES E. VOLMERT
13 Eagle Landing Drive, St. Peters, MO 63376 314-278-2534
Business:
Description: Auto dealership (to be purchased)

LAWRENCE P. WALSH, JR.
12-G San Miquel Drive, St. Charles, MO 63303 314-947-4320
Business: S.G.O.
Description: Stained glass overlay—a special process to change regular glass into a stained glass reproduction.

WILLIAM F. WARD
1835 Waterford Ridge Drive, Ballwin, MO 63021 314-394-2708
Business:
Description: Will either be buying a kraft paper converter or starting a company that will convert kraft and other coarse paper stock.

RICHARD C. WARNER, JR.
11613 Altozano, Florissant, MO 63033 394-8812
Business: USA TRUCK REPAIR, 4515 N. 2nd Street, East Grand & 70, St. Louis, MO 63147
Description: Truck repair/trailer repair & 24 hr road service.

CHARLES R. WILSON, JR.
3735 Marvin, Woodson Terrace, Mo 63114 314-423-0748
Business: C & R WASHER REPAIR, 8327 Garfield, St. Louis, MO 63114 314-428-4966
Description: Laundry washer machine and dryer in home repair.

KENNETH E. WILSON
1131 Hunter Court, Lake St. Louis, MO 63367
Business: THE PLANT DOCTOR, 1131 Hunter Court, Lake St. Louis, MO 63367 314-625-8744
Description: Horticulture consultant.

WILLIAM W. WORTHEN
2811 Lincoln Avenue, Granite City, IL 62040 618-451-6209
Business: HORSHOE LAKE MARINE, Box 1323, Highway 111, Horshoe Lake State Park, Granite City, IL 618-931-2377
Description: Marina boat rental and sales of bait, tackle, camping and picnic supplies.

GUY R. YOUNG
515 Echo Hill Co, Ballwin, MO 63021 314-527-2718
Business:
Description:

THEODORE J. ZAGURSKI
8559 Highway 21, Hillsboro, MO 63050 314-942-3705
Business: SKIS' REPAIRS AND RENOVATIONS, 8559 Highway 21, Hillsboro, MO 63050 314-942-3705
Description: Building, repairing or renovation of new and existing residences.

ties of the Corporation, providing a legistative funding formula, providing for reductions in the event of sequestration, and redistribution of funds; and provides language earmarking funding levels for each of the Corporation's program activities as follows:

Basic field programs	$261,293,672
Native American programs	7,022,000
Migrant programs	9,698,000
Program development, including law school clinics	1,339,800
Supplemental field programs	1,000,000
Regional training centers	623,964
Training development and technical assistance	376,036
National support	7,528,218
State support	7,842,866
Clearinghouse	865,000
CALR grants	510,444
Corporation management and administration (Carryover)	(3,300,000)
Total	305,500,000

The Senate had proposed $262,993,672 for Basic Field Programs and $5,700,000 for Corporation Management and Administration. The conferees intend that a total of $10,700,000 be available for Corporation Management and Administration of which $3,300,000 shall be derived from unobligated balances carried over from previous fiscal years.

The conferees are concerned that the Corporation has recently without any prior notice or hiring, disapproved a subgrant to the American Association of Retired Persons, who were using retired lawyers to provide legal assistance to the poor. The conferees are advised that this action was taken without the knowledge of the Chairman of the Board of the Corporation and that it would eliminate a cost-effective legal assistance program previously strongly supported by members of the Board. The conferees, therefore, direct that the Legal Services Corporation shall not disapprove a subgrant until the subrecipient has been accorded the same rights accorded to a recipient under section 1006 of the Legal Services Corporation regulation when the subrecipient has previously received funding under the Corporation-approved subgrant.

The conferees are agreed that the statutory language permitting reallocation of national support center funding in the event of Corporation action to defund or deny refunding to a center is intended to apply to funding cutoffs for cause and does not undercut the rejection of the Corporation's policy decision to defund all national support centers as a class.

The conferees direct the Corporation to submit a reprogramming for any reallocation of funds within its Management and Administration account which would reduce funding for Monitoring, Audit, and Compliance in the Office of Field Services below the FY 1986 level.

MARINE MAMMAL COMMISSION

SALARIES AND EXPENSES

Appropriates $900,000 instead of $860,000 as proposed by the House and $960,000 as proposed by the Senate.

Office of the United States Trade Representative

SALARIES AND EXPENSES

Appropriates $13,300,000 instead of $14,060,000 as proposed by the House and $112,216,000 as proposed by the Senate. The conferees are agreed that the $1,094,000 provided above the budget request will be allocated to reducing the lapse rate for permanent positions and providing for additional contract services and other support costs.

Securities and Exchange Commission

SALARIES AND EXPENSES

Appropriates $110,500,000 instead of $111,100,000 as proposed by the House and $100,050,000 as proposed by the Senate; provides a limitation of $3,000 on representation expenses as proposed by the Senate instead of a limitation of $2,000 on such expenses as proposed by the House; and provides language proposed by the Senate authorizing up to $10,000 for funding a permanent secretariat for the International Association of Securities Commissioners. The House bill contained no provision on the last item.

The conferees intend that the $450,000 provided above the budget request is for reducing the lapse rate for authorized positions of the Commission.

Small Business Administration

SALARIES AND EXPENSES

Appropriates $162,000,000 for the regular expenses of the Salaries and Expenses account of the Small Business Administration instead of $165,000,000 as proposed by the House and $161,500,000 as proposed by the Senate.

Appropriates $35,000,000 for Small Business Development Centers as proposed by the House instead of $33,500,000 as proposed by the Senate and provides Senate language originally proposed in Amendment No. 84 which authorizes the Small Business Administration to recognize costs incurred before December 16, 1980 by a small business development center at the University of Georgia as allowable costs chargeable to a FY 1981 cooperative agreement, provided such costs were incurred after October 1, 1979 and have not been reimbursed from non-Federal sources. The House bill contained no provision on this matter.

The following table shows the amounts in the conference agreement for the programs funded in the Salaries and Expenses appropriation:

Program	*Amount*
Procurement Assistance	$15,277,000
PASS	(1,053,000)
Management Assistance	54,285,000
SBDC	(35,000,000)
SBI	(2,871,000)
Finance and Investment	54,025,000
Innovation, Research, and Technology	1,126,000
Minority Small Business/COD	22,422,000
7(j)	(9,570,000)

Program	Amount
Advocacy	4,743,000
Data Base and Research	(1,988,000)
International Trade	884,000
Women's Business Ownership	899,000
Private Sector Initiative	305,000
Veterans Affairs	1,233,000
VA Outreach	(700,000)
National Advisory Council	211,000
General Counsel	13,134,000
Inspector General	6,291,000
Hearings and Appeals	944,000
Comptroller	6,193,000
Equal Employment Opportunity	1,776,000
Information Resource	14,130,000
Management Services	34,984,000
Program Analysis and Review	1,145,000
Personnel	3,201,000
Public Communication	890,000
Congressional and Legislative Affairs	546,000
Executive Direction and Field Administration	30,356,000
Subtotal regular	269,000,000
Disaster Assistance	20,000,000
Total	289,000,000

The managers are recommending $15,277,000 for SBA's procurement assistance programs. This figure represents an increase of $1,989,000 over last year's level in order to provide additional funds required for the full implementation of the Breakout Procurement Center Representative (BPCR) Program, as defined in Public Law 98-577. The conferees reiterate the direction to SBA to implement a pilot Systems Procurement Center Representative (SPCR) Program, as described in Senate Report 99-150. A successful SPCR program could significantly expand subcontracting opportunities for small business concerns, especially within major systems being developed by the Department of Defense. Subcontracting opportunities hold the greatest promise for substantially expanding small business participation in the Federal procurement market. The conferees also note with approval SBA's on-going efforts to improve and broaden the Procurement Automated Source System (PASS), in conjunction with both the Federal procuring agencies (through the Procurement Automation Council sponsored by the Office of Federal Procurement Policy) to expand direct contracting opportunities and major contractors to expand subcontracting opportunities.

Business Loan and Investment Fund

Appropriates $164,000,000 in additional capital for the Business Loan and Investment Fund instead of $181,000,000 as proposed by the House and $176,000,000 for additional capital for new direct loan obligations to be incurred by the Business Loan and Investment Fund as proposed by the House instead of $91,000,000 as proposed by the Senate.

The following table shows the amounts in the conference agreement for the direct loan and loan guarantee programs of the Small Business Administration:

435

Conference Agreement

[In millions of dollars]

General business loans:	
Direct	
Guaranteed	$2,473
Handicapped loans:	
Direct	15
Guaranteed	5
Economic opportunity loans	
Direct	24
Guaranteed	56
Energy loans:	
Direct	
Guaranteed	14
Development company loans:	
Direct	
Guaranteed	373
Investment company loans:	
Direct	39
Guaranteed	233
Veterans Loans:	
Direct	19
Guaranteed	
Total business loans:	
Direct	97
Guaranteed	3,154

Surety Bond Guarantees Revolving Fund

Appropriates $9,497,000 for additional capital for the Fund instead of $10,000,000 as proposed by the House and Senate.

Pollution Control Equipment Contract

GUARANTEE REVOLVING FUND

Appropriates $14,245,000 for additional capital for the Fund instead of $15,000,000 as proposed by the House and Senate.

State Justice Institute

SALARIES AND EXPENSES

Appropriates $7,200,000 to remain available until expended instead of $7,600,000 of which $7,100,000 was to remain available until expended as proposed by the House and $7,000,000 was to remain available until expended as proposed by the Senate.

United States Information Agency

SALARIES AND EXPENSES

Appropriates $570,000,000 instead of $594,500,000 as proposed by the House and $560,000,000 as proposed by the Senate.

Provides a limitation of not to exceed $2,750,000 for the expenses of the Office of Inspector General as proposed by the Senate. The House bill contained no provision on this matter.

The conferees are agreed that the United States Information Agency should submit a reprogramming request to the House and Senate Appropriations Committees as soon as practicable in order